ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Conference of DD/A Office Heads, 27-29 September 1974

FROM: C/Services & Registration Staff, OTR Rm 1016 C of C	EXTENSION 3107	NO.
		DATE 16 September 1974

TO: (Officer designation, room number, and building) 13	DATE RECEIVED	FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Executive Officer to the DD/A Rm 7-D-26, Hqs.	9/24/74		D	The attached is for your information.
2.				If there are any inaccuracies or omissions, please let me know and we will correct them immediately.
3.				
4.				25X1A
5.				Copies were disseminated to all participants.
6.				
7.				
8.				
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10.				
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13.				
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FORM 3-62 610 USE PREVIOUS EDITIONS   ☐ SECRET   ☐ CONFIDENTIAL   ☐ INTERNAL USE ONLY   ☐ UNCLASSIFIED

ADMINISTRATIVE - INTERNAL USE ONLY

16 September 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Conference of DD/A Office Heads, 27-29 September 1974

STATINTL

1. The following arrangements in support of the DD/A Office Heads Conference at the ███████████████████ 27-29 September are based on requirements placed upon the Office of Training by Mr. ███████████ STATINTL Executive Officer to the DD/A.

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2. Ground transportation will be handled by the Office of Logistics. Messrs. Blake, McMahon, ████████████████████ Fitzwater, Kane, ██████ Malanick ██████ Tietjen, and Yale will be transported to the ████████████████████████████ on 27 September, departing from the Main Entrance of the Headquarters Building at 3:00 p.m. These same individuals will be met at the Airport on Sunday, 29 September at about 2:30 p.m. for the return trip to the Headquarters Building. (Mr. Alfonso Rodriguez will drive his POV to and from the ████.)

STATINTL

3. Air transportation will be the responsibility of the Office of Training and is scheduled as follows:

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a. ████████████████████ will depart first, at approximately 3:30 p.m. on 27 September and will carry Messrs. Blake, Fitzwater, Kane, Malanick, Yale, ████████████

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b. ████████████████ will follow, with passengers McMahon, ██████, Tietjen, ████████████

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c. These two planes will depart ██████████████████████ STATINTL on 29 September at approximately 2:00 p.m. with the same passengers as on the first trip.

STATINTL

4. There will be a cocktail party for the group shortly after arrival at ████ followed by dinner at the Officers Club. All other meals will be STATINTL served at ████████████

5. Billeting of the participants is as follows:

STATINTL   (a) ████████████

      <u>Bedroom</u>

1	Mr.	Blake
2	Mr.	McMahon
3	Mr.	Yale
4	Dr.	Tietjen
5	Mr.	████ STATINTL
6	Mr.	Malanick
7	Mr.	████████ STATINTL
8	Mr.	Fitzwater
9	Mr.	████ STATINTL
10	Mr.	Kane

     (b) <u>BOQ (By Officers Club)</u>

STATINTL
      Mr. ████████
      Mr.
      Mr.
      Mr.

STATINTL   6. Times of meals, and other administrative details in support of the group while at ████ will conform as nearly as possible to the April 1974 Conference schedule.

STATINTL   7. Any changes, additions, or deletions should be coordinated promptly with Mr. ████ extension 6535.

STATINTL   ████████████████

Chief, Services and Registration Staff
Office of Training

STATINTL

Program for DD/A Conference

███████ 27, 28, 29 September 1974

Friday, 27 September

Afternoon	Arrive, get settled, cocktail party
	Dinner
2000-2100	Opening Remarks - Purpose of Conference - Mr. Blake

Saturday, 28 September

0830-0900	DDA Approach to Planning - Mr. McMahon
0900-1000	Directorate Planning Mechanism - Mr. Blake
1015-1100	Review of MBO - Mr. ███████ STATINTL
1100-1200	Personnel Approaches Study Group (PASG) - Messrs. ███████ STATINTL
1200-1330	Lunch
1330-1400	PASG - Current Perspective - Messrs. ███████
1400-1430	Personnel Development in Communications - Mr. ███ STATINTL
1445-1545	GS-12 and Above Voluntary Separations - Mr. Blake
1545-1645	Briefing on Headquarters Space and Views on Training for Overseas - Mr. Malanick
1645-2000	Dinner
2000-2100	Attitudinal Survey - Dr. Tietjen

STATINTL

2100 - 2130
OTR ~ MBO

Sunday, 29 September

0830-0930	Costing of DDA Services - Messrs. Fitzwater, ███ Malanick STATINTL
0930-1030	EEO and Upward Mobility - Mr. ███████ STATINTL
1045-1145	Concluding Remarks - Planning Process - Mr. Blake
1145-1300	Lunch
1400	Depart

DD/A 74-3377

8 SEP 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT   : Perspectives for Intelligence, 1975-1980

1. Attached herewith is a copy of "Perspectives for Intelligence, 1975-1980" which was very recently distributed to USIB principals, the President's Foreign Intelligence Advisory Board and the National Security Council Intelligence Committee. The study focuses on what may happen in the next five years, and what the Intelligence Community must do to prepare itself to meet the future challenges. It is designed to stimulate early action on programs requiring long-term research, development, and planning, such as complex technical systems, language training, skills augmentation, etc.

2. The "Perspectives" paper can be used in generating a lot of useful questions, as we keep in mind the primary mission of the Agency, and how this Directorate fits into the overall picture. In my initial review, I came up with thirteen questions that appear to be pertinent, and I am sure that the list could be expanded with the application of additional research and review. It is important that we look beyond the specific language in the study and anticipate the requirements of operating components in the years ahead.

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3. I will have more to say at the ██████ conference on the general issue of planning guidance. In the meantime, Office Directors are urged to have the attachments thoroughly analyzed in terms of the underlying implications, so that we have a worthwhile exchange of views at our management conference.

25X1A

John N. McMahon
Associate Deputy Director
for
Administration

Atts
"Perspectives for Intelligence, 1975-1980"
Thirteen questions re subject

CL BY 008246

RE PERSPECTIVES FOR INTELLIGENCE, 1975-80

1. We must ensure we have an established mechanism for identification and refinement of our requirements and an evaluation system to go with it which will permit the adjustment in application of our resources to priority needs.

2. In order to accommodate the mix of people that CIA will require in the '75 to '80 time frame, do we have the proper recruitment program to assure the availability of the right talent? Has the recruitment system cultivated the right departments at the various universities? Will the universities be producing the competence and talent we need or must we beef up our internal training program?

3. There is a specific emphasis cited in the '75 to '80 time frame for intensive language training and the need for the right language capability within the Community; specifically, Chinese. Concomitant with an intense language training, it is necessary to develop the proper appreciation of the culture involved. Are we prepared to provide in-depth cultural courses?

4. With the growing threat of terrorism throughout the world, do we have a mechanism for upgrading the physical security of our people and installations?

5. As we move towards "an open society" in our intelligence work, what steps need be taken to ensure proper legislation needed to protect our methods and sources?

6. Have we canvassed our various stations and facilities abroad to estimate the availability of resources, i.e., fuel and electricity? Do we have the necessary backup plans to ensure against interruption in our operations?

7. With the reduction of official U. S. presence overseas, do we have to do more in providing support for our nonofficial cover activities? In this context, what assurances can we give to our nonofficial cover officers and families regarding adequate medical care?

8. Is our planned expansion of secure voice capability in harmony with the demands? How long will it be necessary to maintain an HF backup capability?

9. The increased data expected from our collection systems will demand a more sophisticated processing analysis and dissemination technique. Is OJCS worrying this problem? Is Commo in synch with OJCS needs?

10. Have we given any thought to the improved methods of data presentation? In addition to various displays which will be needed, are we content with our information control and processing procedures?

11. The Director has spoken repeatedly about his desire to replace the paper mill with the computer. Is anyone thinking about the impact on OJCS regarding such an implementation in our scheme of things?

12. If indeed we do transform from a paper Community to a computer display Community, have we begun to think of the impact not only on OJCS and Commo but also on PSD?

13. Do we have any ball that is bouncing in our court regarding the inter and intra Community use of communications and computers?

USIB/IRAC-D-22.1/20
30 July 1974

UNITED STATES INTELLIGENCE BOARD

INTELLIGENCE RESOURCES ADVISORY COMMITTEE

MEMORANDUM FOR : USIB Principals
IRAC Members

SUBJECT : Perspectives for Intelligence

REFERENCES : a. USIB/IRAC-D-22.1/18, 18 June 1974
b. USIB-M-671, 27 June 1974, Item 6

Pursuant to the discussion at the USIB meeting of 27 June
(reference b.), the attached final version of the Perspectives are
forwarded herewith for information. Copies have also been provided
to the President's Foreign Intelligence Advisory Board and the
members of the National Security Council Intelligence Committee.

25X1A

Executive Secretary

Attachment

DIRECTOR of CENTRAL INTELLIGENCE

Perspectives for Intelligence
1975-1980

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

Classified by 365211
Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(2)
Automatically declassified on
Date Impossible to Determine

DIRECTOR OF CENTRAL INTELLIGENCE

PERSPECTIVES FOR INTELLIGENCE

1975 – 1980

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Introduction

1. These Perspectives for Intelligence 1975-1980 are issued by the Director of Central Intelligence to provide general guidance for planning for all elements of the Intelligence Community for the next five years. They are particularly designed to stimulate early action on programs requiring long-term research, development, or planning—such as complex technical systems, language training, skills augmentation, etc. They are designed to influence Fiscal Year 1975 decisions whose effects will be felt only after several years. For Fiscal Year 1975, near-term guidance is provided in the Director's Objectives submitted to the President, which include both Substantive Objectives (further detailed in Key Intelligence Questions) and Resource Management Objectives. The Director's Annual Report to the President on the work of the Intelligence Community will include comment on steps taken during FY 75 to meet future requirements.

2. These Perspectives open with a general overview of the political, economic and security environment anticipated during the coming five years (Part I). This is followed by an overall statement of the anticipated role of intelligence in these situations during that period (Part II). Finally, more specific guidance is given with respect to activities which should be planned or initiated in order to meet the needs of the period ahead (Part III).

3. The Perspectives are focused primarily on major national intelligence problems and guidance. They recognize but do not deal extensively with three additional categories of important problems:

(a) Continuing lower priority national responsibilities which must be satisfied with a limited allocation of resources;

(b) Departmental or tactical intelligence support of civilian and military elements of the United States Government. This will also require continuing investment of attention and resources;

(c) Unexpected problems or crises which can pose major political, economic or security problems to the United States. To the extent that these requirements cannot be met by reallocation of resources from less urgent activities, some reserve capability must be included in planning to meet them.

Part I—Major World Problems

1. *General.* The balance of power between the US and USSR is unlikely to change fundamentally. Perception of the balance, however, may change importantly in either Moscow or Washington, or both. Beyond this, many other nations will play major roles in the international arena. Additional nations possessing nuclear weapons or having significant control over critical economic resources will be capable of seriously upsetting the international equilibrium. The chang-

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ing balance between the world's supply of and demand for natural resources will strain the world's political, economic, and social institutions. Thus the US will be confronted not only with the steady-state Soviet threat to US national interests but turbulence in other world relationships as well.

2. *The USSR.* Notwithstanding the probable continuation of detente and an absence of armed conflict, the USSR will remain the principal adversary of the US during the next five years. It will regard the US as its major security threat, and act accordingly. In foreign policy, its continued efforts to expand its international influence will bring it into conflict with US interests. This will include political action in Western Europe, the Near East, and South Asia, and, to a somewhat lesser extent, Latin America. In its economic policy, Moscow will continue to give high priority to the kinds of growth which increase national power and its projection abroad.

The circumstances which commend detente to the USSR, however, have complicated this picture. These are: the need to control local crises lest they lead to general war; the burden of the Sino-Soviet conflict; and the desire for economic and technological assistance from the West. The Soviets will have to deal in the coming years with a number of dilemmas as they attempt to square traditional attitudes with the requirements of a detente posture.

These dilemmas may take an acute form in the strategic field. While continuing to modernize its ground, naval, and tactical air forces, the USSR is vigorously pursuing the opportunities left open by SALT I. Except to the extent restrained by arms limitation agreements, the Soviets will make substantial improvements in their missile forces, including MIRVing, improved accuracy, increased throw-weight, and better survivability. At the same time, they will continue to maintain and to improve their defenses. They will be working to develop effective weapons and supporting systems in such areas as ASW, satellites, and lasers. Expecting strategic equality with the US, the USSR gives indications of angling further for a measure of strategic superiority, if that can be obtained at reasonable risk.

Domestically, the pressure for modernizing reforms of the Soviet system, and particularly its economic administrative structure, will grow. Prolonged detente may also eventually have some effect on the Communist Party's ability to wield its authority effectively in all areas of public life. But these are long-term possibilities, and over the next five years the essentials of the Soviet domestic system are not likely to be substantially altered.

3. *China.* Almost certainly, China will undergo a change in leadership. The succession could see an initial collegial unity followed by an authoritarian, aggressive and xenophobic leader. The initial period could also be followed by fragmentation into a variety of contesting military, party, and provincial elements. For planning purposes, however, it would seem most appropriate to assume that the follow-on leadership in China will maintain the unity and authoritarian discipline

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imposed by the Communist Party, that it will be primarily concerned with internal unity in meeting the social and economic problems within China, and that it will retain a somewhat paranoid attitude toward the outside world and particular suspicion of countries on its periphery.

China will continue gradually to develop its strategic forces and will present a retaliatory threat to the Soviet Union. By 1980, it will have the capability of threatening the United States with a demonstration (or desperation) strike by a small number of ICBMs and SLBMs. China will maintain large general purpose forces capable of operations on its periphery but will be unlikely to commit them in the absence of major provocation or concern.

Internally, China will continue its authoritarian economic programs, which are likely to keep agriculture abreast of population, to enable industry to expand capacity and output, and to support an increasingly modern defense establishment. Internationally, China will endeavor to become the ideological leader of the Third World. It will participate in aid programs and similar political gestures with other Third World powers but will not establish substantial authority over Third World countries.

4. *Western Europe.* Western Europe will continue efforts at integration with uneven results. The subjective impulse toward unity and the objective factors working for it will continue to encounter obstacles arising from nationalistic rivalries, tensions between the concepts of Europeanism and Atlanticism, and Europe's ultimate dependence on US support against the USSR. New leadership in the principal West European states promises some change in tactics and approach to these problems—mostly in ways congenial to the US—but the fundamental issues will continue to resist quick solution. Europe, and US-European relations, will be particularly vulnerable to economic strains and uncertainties—inflation at home and trade problems with both the advanced states and the Third World countries supplying raw materials, especially oil.

5. *Eastern Europe.* While Eastern Europe will continue to be under Soviet control, recurrent pressures for some loosening of ties with Moscow will complicate the picture. The five-year period could see an explosion from within one or more East European countries against Soviet dominance, but Moscow would quickly reestablish its hegemony (by force if necessary), whatever the price in terms of other policies. Internal discipline may be alleviated somewhat in these countries so long as they adhere to Soviet guidance in diplomatic and security matters. Economic relations with the West and with the Third World will grow in quantity and in independence from Soviet control. The passing of Tito could open an arena of difficulty and contest over the succession internally and over the future orientation of Yugoslavia externally.

6. *Japan.* Japan will continue to play a major economic role and as a participant in international economic affairs generally, expanding its contacts and

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relations with other countries, including the USSR and China. It will still, how-ever, place priority on close and cooperative relations with the United States although, on issues it considers vital to its own well-being, it will be less amenable to American influence. The internal Japanese scene is not apt to change so sub-stantially as to affect Japan's role abroad.

7. *New Powers.* During the coming years, a number of nations will increase in absolute and relative strength and become at least regional great powers, plus playing more substantial roles in world international forums. An example is Brazil, whose economic and political power is increasingly felt in Latin America. Another is Iran, whose Shah is determined to build that country's relative strength in the region so as to play a full great power role there. Nigeria and Zaire could also develop this sort of role in Africa. Aside from these, several nations having considerable influence within regions will display greater independence from the close US relationship which has characterized them in the past. This will be particularly prevalent in the economic field, but it will also occur in various international relationships. Examples of such powers are Canada, Mexico, Aus-tralia, Thailand, and Saudi Arabia, plus several South American nations such as Venezuela, Panama, and Peru.

8. *The Third World* will present a varity of problems. A number of local disputes will preoccupy not only the leaders of individual countries but the international community. Examples are relationships between India and Paki-stan, between black and white Sub-Sahara Africa, and within Southern Arabia and the Persian Gulf. Several existing disputes will continue to be a matter of concern to the international community and will sow the seeds of potential larger scale involvement (Arabs and Israel, North and South Vietnam, North and South Korea, Taiwan and China). A number of Third World countries will become increasingly antagonistic toward the great powers and their local presence in the economic, political and cultural spheres, e.g., in Africa, Latin America and South Asia. In this respect some identity of interest may grow between nations divided by the Cold War, developing into collaboration against both superpower complexes, e.g., the Arab nations, the rising black nations of Africa, and the nations of the Malay Archipelago. Internally, many Third World nations will suffer serious damage from tribal and regional differences, economic extremism, and ideological zealots (India, Cambodia, Ethiopia, *et al*). Some of the Third World will find an outlet for its frustrations in self-defeating assaults on great power economic relationships and in hamstringing the effectiveness of a variety of international forums.

9. *Social change* will cause turbulence and possibly create power vacuums in a number of areas. These will stem from increased expectations and a percep-tion of the growing economic gap between less developed countries (and classes within countries) and the developed world. Areas particularly susceptible to this process will be the Persian Gulf, certain other Arab states such as Morocco,

India, possibly Indonesia, the Philippines, and, in Latin America, Peru, Ecuador and Bolivia. Internally this turbulence may be temporarily stilled by some authoritarian governments, particularly those benefiting from increased oil revenues, but these will have difficulties in maintaining themselves over the longer term and transferring power to successors. The resulting turbulence can present temptations to neighboring states to exploit long-standing differences or to great powers desirous of extending their influence. Such turbulence will also exist within advanced nations, as economic, racial, ideological, or regional minorities turn to violence and terrorism to press their claims against more and more delicately tuned and interdependent societies.

10. *The acceleration of events* will be characteristic of the years ahead. This will come from improved communication and transportation, sharply reducing the time available to reflect on, negotiate, and resolve international problems. It will also raise many local events to international prominence and inflate national or political pride, posing further handicaps to successful negotiations. There will be a resulting tendency towards shorter attention spans for individual situations and a need for simultaneous perception and management of a multiplicity of international relationships. Many national or international institutions are simply not structured to cope with accelerating change. Such change will occur most conspicuously in the fields of science and technology, but the pace there will have substantial effects on the pace of sociological, industrial, and institutional change, with resultant political and economic impacts. Identification and accurate assessments of such changes and their effects will be needed on an increasingly rapid or even immediate basis.

Part II—The Role of Intelligence

1. *General.* The primary charge on intelligence during these years will be to provide accurate and pertinent information and assessments with respect to the increased range of problems requiring US decision. In particular, the need will be for advance notifications of forthcoming policy problems and, of course, for tactical early warning as well. These responsibilities will be especially important in an era of accelerating events so that diplomacy, negotiation, or other benign initiatives can head off military confrontations between states or other disruptive events. The acceleration of events and the explosion of information will also require a major effort by the intelligence community to identify major policy and negotiating issues, to process raw information into manageable form, and to devise adequate techniques to identify for consumers the essential elements of foreign situations, the reliability of our assessments, and the likely impact of alternative policy decisions. Intelligence will increasingly be expected to provide assessments of the intentions and likely courses of action of foreign powers, in addition to their basic capabilities. To do this will require interdisciplinary analysis which melds economic, technological, sociological and cultural factors with political and military data.

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2. *The USSR*. The USSR will remain as the major intelligence target. Its military power, its economic role in the world, and its foreign policies will continue to pose major problems for American leadership. Intelligence will be expected to provide precise data on Soviet military capabilities and economic activity. It must follow Soviet efforts to acquire advanced scientific and technological assistance and the potential impact on both military and economic capabilities. It will be expected also to supply reliable assessments of Soviet political dynamics and intentions. These must be supplemented by clear and accurate forecasts of likely Soviet courses of action in the political, economic, and military fields. While a small percentage of this material will become available through open exchange and access, vast fields of highly important information will be kept by the Soviets within a closed society, requiring extraordinary efforts to obtain and understand them. A particular requirement will be accurate and demonstrable monitoring of arms limitation agreements made with the Soviet Union. In the military field special attention will be focused on Soviet research and development, in particular with respect to weapons and supporting systems which could substantially affect the balance of power. These will include antisubmarine warfare, ballistic missiles, satellites and advanced-technology systems. Intelligence will be required to identify and maintain a base-line capability for tactical intelligence coverage, for rapid augmentation in case of local or general confrontation or conflict. Trends and actions in Soviet leadership and political doctrine will be a major subject of interest to assist in negotiations and to warn of undesirable developments ahead. The Soviet role abroad, either directly through diplomatic means or indirectly through party or subversive means, will be a matter of particular attention with respect to the turbulence of the Third World.

3. *China*. China will continue to be a second but still important intelligence target. The closed nature of Chinese society will make it difficult to assess any turmoil within the country or threats China might pose abroad. The latter will become particularly important as Chinese strategic power grows and comes to include capabilities against the United States itself. It will also apply to Chinese political activities and intentions in view of China's influence in the Far East and ties with and aspirations in the Third World.

4. *Europe*. Europe's efforts toward cohesion will be a constant and major intelligence target in view of United States economic and security interests in the region, and the importance of Europe to the overall relationship between the United States and the Soviet Union. Intelligence collection in Western Europe will be in great part a matter of following open political, economic and military activities. The challenge will lie in providing useful assessments of their significance and likely future developments. Europe's economy will be a significant intelligence target not only in Europe itself but also with respect to Europe's impact on the Third World and world-wide economic affairs. Eastern

Europe will be a constant collection and assessment target, in order to determine political developments vis-a-vis the USSR and the military and political strength the East European nations individually and collectively bring to the Warsaw Pact.

5. *Economics.* Economic intelligence will increase in importance world-wide. This will include economic situations in nations having a major impact on the world economy and on relationships with the United States, such as the Arab oil states, major economic powers such as Japan, major suppliers of food and raw materials, and nations where internal economic chaos can create major world problems out of sympathy or resonance (e.g., India). Economic intelligence of value to US policy makers is necessarily international in scope, including such topics as the activities of multi-national corporations, international development programs, regional economic arrangements, and the working of international commodity markets. In some cases, nations with close political and military bonds to the United States may become important economic intelligence targets, e.g., Western Europe, Canada, Japan, etc., raising complicated problems for intelligence coverage.

6. *Other Priorities.* Intelligence will increasingly be expected to warn of and explain new situations posing problems to American interests. An example will be to identify the causes of social change, turbulence, and political terrorism in Third World countries, so the component elements of these problems can be isolated, negotiated about or countered with appropriate mechanisms. This may require intensified efforts on our part to understand and communicate the differences between societies, cultures, and nation personalities. Intelligence will be called upon more often to assess the threat of terrorists against US installations and private enterprises abroad and, beyond that, the risk that some terrorists may acquire nuclear weapons.

7. A few of the major problems which will be either the subject of dispute or negotiation, or sometimes both, and consequently will be priority intelligence requirements, can be listed:

(a) Rates of production, consumption, and pricing of raw materials and energy sources and international commodity arrangements;

(b) Price and non-price restrictions on international trade, including transportation and communication services;

(c) The international payments mechanism and the coordination of national fiscal-monetary policies;

(d) National policies with respect to military sales and foreign business activity and investment, including policies toward multi-national corporations;

(e) Arms limitation, nuclear proliferation, and crisis avoidance;

(f) Jurisdiction, exploitation, and relationships in the oceans and on sea beds.

Part III—Implications for Intelligence Planning

1. *General.* The prospect is for further reduction of resources through infla-
tion, with a need to cover a greater range of intelligence requirements and an
information explosion. New collection systems must be developed to cope with
technological advances in target entities. Because of the greater increased data
flow expected from collection systems already under development, greater empha-
sis will have to be applied to the development of more sophisticated processing
systems, analysis and dissemination techniques. A third major planning area will
be in the refinement of requirements and evaluation systems to ensure the appli-
cation of available resources to priority needs and the most effective distribution
of intelligence tasks among components of the Community. The Community will
need, finally, a different mix of manpower to meet both the substantive and
technological problems which will be confronting it in future years.

2. *Collection vs. Exploitation.* Over the past decade, management focus and
the allocation of resources have been directed especially to the application of
advanced technology to the collection and, to a lesser degree, the processing of
intelligence data. This has been highly successful, resulting in major substantive
advances in our knowledge, particularly with regard to the military capabilities
of the Soviet Union. This investment has made a major contribution to the nego-
tiations required for detente. Technological progress will soon reach a point—
insofar as new capabilities in the photo and signal intelligence area are con-
cerned—which will present us with large problems of success.

Within the time frame of this document, an important and pervasive problem
facing the Intelligence Community will be to ensure efficient exploitation of the
enormous amounts of information it will be collecting. Exploitation means not
only sifting, selecting and analyzing the most relevant data, but also the applica-
tion of advanced techniques to transfer that data from collectors to analysts and
the analytical product, in turn, to the ultimate users of intelligence—all in the
most meaningful and useful form we can devise. New styles of using information
and the relationships they can portray may force new styles of policy deliberation
that will differ markedly from those of the past.

Action: Study and planning must be initiated by Intelligence Community
agencies concerning:

(a) The rapid processing of raw information received, including the
selection and discard of non-essential material at the earliest possible time,
identification and accelerated dissemination of critical material, and the re-
duction of manpower and investment devoted to lower priority material;

(b) Development of improved techniques and disciplines of analysis
and production;

(c) Development of improved methods of presentation.

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3. *Demands vs. Resources.* Another problem of great magnitude facing the Community over the next five to ten years will be the changing (and in all probability increasing) demands for intelligence while available resources for intelligence decrease in real terms.

In the past, the major portion of our intelligence effort has necessarily been deployed against the military capabilities of the Soviet Union and our other adversaries, actual and potential. Even assuming a period of genuine detente, much of this military focus must be maintained because of the importance of the subject to national security and the need for information on the quality of potential enemy weapons systems. It must not only serve to keep us alert militarily, but also support negotiations and verify arms limitation agreements. At the same time, the demands for other types of intelligence are growing. The result is a probable net increase in demand with a new proportionate mix among political, economic, military and technological target objectives.

This simultaneous shift and increase in requirements are occurring in a period of serious resource constraints and continuing inflation. Until very recently we have had the freedom to invest resources in a number of functional areas simultaneously without undue difficulty. This is no longer true. We will have to accomplish our objectives without the benefit of significantly greater resources. We must find trade-offs in the systems we use, the areas we cover, and the depth of the data we seek.

One area which holds promise for greater efficiency is the national/tactical interface. Current studies seek to identify ways by which national programs can better support tactical requirements, and vice versa. As more capable and flexible systems come into the national inventory, they must be made to serve the needs of operational forces as well as national-level consumers. Modernized systems and procedures which, by their design, permit greater mutuality of effort between national and force support activities should enable trade-offs achieving net resource savings.

Another area can be the optimum interrelationship among overt and clandestine, and technical and human sources. Costly or risky clandestine techniques must be employed only if overt sources cannot be successful in obtaining needed information. The technical can in some cases substitute for human effort, but certain types of critical intelligence—e.g., about opinions, plans, and decisions—are best, and sometimes only, collectible by human sources.

We should explore the possibility of greater future reliance on other nations for intelligence contributions, e.g., in the technical field. At the same time, some of our most crucial scientific and technical collection systems are located on friendly foreign soil. We should begin contingency planning in case it is necessary to relocate or restructure the support of major technical collection resources.

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A final area of greater productivity is in better utilization of intelligence. With due respect for the protection of intelligence sources and methods and national security information, intelligence can be more broadly disseminated and sanitized for service to subordinate civil and miltary government elements, the Congress, the public, and friendly and allied governments.

Action: Study and planning must be initiated by Intelligence Community agencies to:

(a) Increase flexibility of responses to changes in priorities for intelligence coverage;

(b) Identify areas in which intelligence coverage can be reduced to a base-line maintenance level, permitting rapid augmentation in case of increased need;

(c) Examine techniques by which national programs can contribute better to departmental needs and vice versa;

(d) Examine areas subject to overt and human source collection, reducing the need for clandestine or technical operation;

(e) Develop programs to improve the productivity of intelligence resources in qualitative terms;

(f) Review possibilities of greater foreign contributions to US intelligence, and prepare for contingent changes in present program;

(g) Examine possibilities of increased utilization of intelligence through sanitization, wider dissemination, etc.;

(h) Examine possibilities of greater utilization of reserve military intelligence organizations in performing non-time-sensitive intelligence tasks.

4. *Technical Systems.* The great accomplishments of present and projected technical collection systems must not conceal the fact that a major crisis is arising in the future. This stems in part from the necessity of solving the problems of processing and presenting the material collected, noted above. Also of great concern is the pace of technological change, which increases the complexity of targets at a rapid rate. This poses the danger that present collection systems will become obsolescent very quickly. Still, the technology of collection and processing also advances so that new potentials appear at shorter intervals. A governing restraint on exploiting these new potentials comes from budget and inflationary pressures. Because of long development and production cycles, the conflicts among these factors must be resolved at early stages, requiring the Intelligence Community to study and plan to:

(a) Identify technological trends in target complexes which will close off access and initiate planning for upgrading current collection and processing systems to assure future coverage;

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(b) Research and develop new techniques of collection and processing to capitalize on technological change to give access and coverage to new targets of importance;

(c) Ensure that substantive intelligence need rather than technological improvement momentum drives investment in upgrading or replacing currently operating and productive systems.

5. *Requirements and Evaluation.* Taking advantage of potential trade-offs will require systematic evaluation of the total effort, and the forging of a much tighter link between the allocation of resources and the substantive intelligence result. A start in this direction has been made with the KIQ/KEP, but success will require an increasing commitment from the entire Community. In particular, the Community must demonstrate flexibility in reducing at least to a maintenance level intelligence activities providing only marginal results in the circumstances of the time.

A key factor in the better evaluation and more efficient use of resources will be a far better definition of intelligence requirements, both short and long term (the latter in particular with regard to R&D). Today the Community has a confusing variety of means, methods, vehicles and even language to determine and state requirements. Ways of restructuring the machinery for generating and communicating requirements must be undertaken on both Community and departmental levels. Thus study and planning is required to:

(a) Interrelate the procedures at tactical, departmental and national levels for generating requirements, so as to ensure optimum satisfaction of each;

(b) Improve communication among intelligence users, producers and collectors to reduce bureaucratic rigidities and improve the responsiveness and flexibility of the intelligence machinery at all levels;

(c) Produce periodic evaluations of the products and performance of the Intelligence Community against current primary or maintenance level requirements;

(d) Develop orderly procedures for evaluating user satisfaction and dissatisfaction with intelligence products.

6. *Manpower Implications.* The future responsibilities of the Intelligence Community establish new needs for manpower levels, academic and scientific disciplines and language capabilities. This will be particularly true with respect to human source collection, where depth of cultural knowledge plus greater capabilities in scientific and economic disciplines will be needed. The analyst of the future will have to be comfortable with electronic tools. In our preoccupation recently with manpower reductions, investment in new talent, training and career development, and exposure abroad may have suffered. This cannot be

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permitted to continue. In particular, steps are needed to deepen our knowledge of foreign cultures and thought processes through language fluency and foreign residence, especially with respect to nations important in political, economic or military terms (e.g., USSR and Eastern Europe, China, Latin America, Arab States, Japan, South and Southeast Asia). We must enhance our ability to do interpretive, estimative assessments of trends abroad and their effects on US interests. This is an area where a modest increment of resources, more in salaries and area studies than in rising manpower totals, can produce large returns. Collectors and producers must extend their ability to cover both scientific and liberal arts subjects—intelligence must be equally comfortable in either or both of the "two cultures." And the Intelligence Community must undertake affirmative action to ensure equal employment opportunity to keep fully in step with national and government-wide trends.

Advanced information processing and presentation techniques will pose particular manpower training requirements. Indeed, the Intelligence Community should be in the forefront in placing new technologies in the service of users. New methods of analysis, forecasting, coordination and presentation of information must be energetically explored and applied where appropriate. Care must be taken in the application of such new methods and systems to ensure they are designed for the people who will use them and that adequate training in their use is active and integral to the process.

The Intelligence Community must study and plan to:

(a) Assure that training and familiarization are undertaken in new methods of collection, analysis and production, particularly in the use of new technical capabilities to increase productivity and precision and save manpower;

(b) Develop selection and training programs in those foreign languages and cultures which will be important intelligence targets of the particular agency in the 1975-1980 time frame (especially Russian and Chinese);

(c) Ensure the availability of technical and academic talents and expertise in the subjects which will be of importance in the years 1975-1980, e.g., economics;

(d) Flexibly reduce manpower commitments to lower priority activities and reduce (or reorient to new requirements) the persons freed by such change in priority;

(e) Develop and apply affirmative action plans for equal employment opportunity.

7. *Security.* The Intelligence Community must develop a satisfactory resolution of its needs for the protection of sources and methods and the American

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public's right to information about its Government's activities. This may require new legislation, the development of new ways of informing the Congress and the public of the substantive conclusions of the intelligence process and clear standards for compliance with the Freedom of Information Act and Executive Order 11652 (and their exceptions) in the Intelligence Community.

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RE PERSPECTIVES FOR INTELLIGENCE, 1975-80

1. We must ensure we have an established mechanism for identi-
fication and refinement of our requirements and an evaluation
system to go with it which will permit the adjustment in
application of our resources to priority needs.

2. In order to accommodate the mix of people that CIA will
require in the '75 to '80 time frame, do we have the
proper recruitment program to assure the availability
of the right talent? Has the recruitment system culti-
vated the right departments at the various universities?
Will the universities be producing the competence and
talent we need or must we beef up our internal training
program?

3. There is a specific emphasis cited in the '75 to '80 time
frame for intensive language training and the need for the
right language capability within the Community; specifically,
Chinese. Concomitant with an intense language training, it
is necessary to develop the proper appreciation of the culture
involved. Are we prepared to provide in-depth cultural courses?

4. With the growing threat of terrorism throughout the world, do
we have a mechanism for upgrading the physical security of
our people and installations?

5. As we move towards "an open society" in our intelligence
work, what steps need be taken to ensure proper legislation
needed to protect our methods and sources?

6. Have we canvassed our various stations and facilities abroad
to estimate the availability of resources, i.e., fuel and
electricity? Do we have the necessary backup plans to
ensure against interruption in our operations?

7. With the reduction of official U. S. presence overseas,
do we have to do more in providing support for our non-
official cover activities? In this context, what assurances
can we give to our nonofficial cover officers and families
regarding adequate medical care?

8. Is our planned expansion of secure voice capability in harmony with the demands? How long will it be necessary to maintain an HF backup capability?

9. The increased data expected from our collection systems will demand a more sophisticated processing analysis and dissemination technique. Is OJCS worrying this problem? Is Commo in synch with OJCS needs?

10. Have we given any thought to the improved methods of data presentation? In addition to various displays which will be needed, are we content with our information control and processing procedures?

11. The Director has spoken repeatedly about his desire to replace the paper mill with the computer. Is anyone thinking about the impact on OJCS regarding such an implementation in our scheme of things?

12. If indeed we do transform from a paper Community to a computer display Community, have we begun to think of the impact not only on OJCS and Commo but also on PSD?

13. Do we have any ball that is bouncing in our court regarding the inter and intra Community use of communications and computers?

3 0 AUG 1974

MEMORANDUM FOR: Acting Deputy Director for Administration

SUBJECT   : The Planning Process

REFERENCES   : (a) Multiple Adse Memo dtd 8 Aug 74 fr
                    EO-DD/M&S, subject: DD/M&S Planning
                    Council

STATINTL
               (b) Memo dtd 16 Aug 74 to DD/M&S fr D/L,
                    subject: Suggested Agenda Items for
                    the ████████ Conference

     1. With respect to the increased emphasis on long-term
planning and the basic concept of a planning mechanism, this
Office envisions long-range planning (3 to 7 years ahead) as
essentially an Agency top-management function concerned with fore-
casting future situations; making estimates concerning these
situations; going through the processes of identifying issues,
requirements, and potential dangers; analyzing and evaluating the
ultimate means for reaching desired goals according to predetermined
schedules; estimating the funds and resources required to do the
work; and taking action in sufficient time to prepare for and cope
with changing conditions or contingent events. We also envision
this top-level planning as providing the policies under which the
individual offices will operate.

     2. At the risk of trying to reinvent the wheel, we would like
to propose a concept for long-range planning which would employ the
classic techniques of strategic planning and include the mechanism
and resources necessary to carry out the complete planning process.
Our main thrust being to start those who may be involved with the
planning process to begin thinking of the total concept of planning;
i.e., to conceptually have everyone operating on the same basis.
In this manner we should be able to eliminate the possibility of
such a planning effort to suffer an early demise as a staff window-
dressing function as did the Deputy Director for Support 15-Year
Planning Committee (circa 1965). To this end we shall, therefore,
address the subjects of the planning mechanism, the human and
material aspects of planning, strategic planning, and mission
analysis.

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SUBJECT: The Planning Process

3. We shall start with the planning mechanism. As noted in paragraph 3 of our Referent (b) submission, we feel that the assignment of a group of Office Directors to perform as a Planning Council under the chairmanship of the Associate Deputy Director for Administration would appear the most effective group to deal with broad-based aggregate planning. Although it is a valid statistic that top-level management devotes 30 to 33 percent of its time to planning of one kind or another with middle-level management using between 22 and 30 percent of its time for the same function, we believe the senior Planning Council will require a subordinate group of planners. As a rule, high-level planning is involved with developing planning methods and factors by which many different situations and assumptions can be evaluated. Because of the complex step-by-step technique required by high-level strategic and mission planning, top management does not have sufficient time to concentrate on precise factors in relation to specific items. Thus, once policy formulation has been established as a result of high-level planning, your subordinate planning group would deal with the precise factors and specific items. This does not mean that the subordinate group cannot participate in the early on-stages of strategic planning. It can, if tasked to, do certain things within certain parameters. A good example of a subordinate planning group dealing with precise factors would be the recent

STATINTL ▮▮▮▮▮▮▮▮▮▮▮ study. Top-level planners had formulated a policy--close the depot. The subordinate planners, in dealing with precise factors, provided the answers as to the means. Similarly, in support of top-level strategic planning, subordinate planners have provided proposed options concerned with the future of the

STATINTL Logistics ▮▮▮▮▮▮▮▮▮ asset. This study dealt with the precise cost and capability factors required by the strategic planners. We would also recommend a planning "secretariat" be established to schedule meetings, maintain files, serve as the official recorder for top-level and subordinate planning sessions, prepare agenda information, and coordinate the actions and input of the subordinate planning group where required. Considering past planning efforts by subordinate planning groups at the office level, the secretariat should also establish a bibliographical reference of all existing as well as future plans at all major planning levels.

4. We noted that the Planning Council members were drawn from the Office of Logistics, the Office of Communications, and the Office of Joint Computer Support as being the most complex offices within the Directorate. However, as there is a definite

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SUBJECT: The Planning Process

relationship between planning and cooperation among management groups and planning does have an impact on the quality of human relationships, we propose that the Planning Council be selectively expanded to include membership from at least two of the other offices in the Directorate; i.e., Office of Personnel, the Office of Security, the Office of Training, and the Office of Medical Services. With these inclusions, we should produce more constructive "frictions" and preclude the possibility of opposition by an "informal group."

5. Most planning emphasis has concentrated on the formal organization, reporting criteria, evaluations of progress, and the role of machines, but little attention has been paid to the human factor, and, after all, it is people that make the plans work. We must avoid the stereotyped preoccupation with physical tasks and procedural matters and communicate with those who must execute and live with the programs. Mr. Irwin T. Sanders (a planner of note) sees many career administrators as their own worst enemies in the planning process because they think of their roles in terms of efficiency norms and routinized procedures, ". . .They have been taught administration as the science of budget making, delegations of authority, and personnel management rather than as the art of leading a human organization to respond creatively to changing conditions." To quote planner, Mr. David W. Ewing, ". . .Perhaps the biggest villain in strategic planning is the leadership group that is almost-but-not-quite charismatic; over-confident of its abilities, overenthusiastic in its sense of mission. . .and picks subjectives that are beyond or foreign to the abilities of those who must live with the product and do the day-to-day work." And we must certainly avoid being hung-up on that one.

6. Strategic planning is the specialized branch of the planning activity which is primarily concerned with anticipating events or contingencies, making diagnoses, and shaping appropriate courses of action so that an organization will be in the best position to respond effectively to contingencies. One of the more recent examples of planners, in this case a subordinate group, dealing with precise factors in a strategic sense was the Office of Logistics study concerning the shortage of paper and related products. The contingency--a real and predicted shortage which would impact on the Agency. The study--a diagnosis which lead to top management formulating a policy and establishing a Directorate objective (B57801). This in turn resulted in forming a "Materiel Resources Group" of planners to deal with specifics and keep management advised and in a position to respond to any predicted future situation arising from this contingency. Long-range policy

SUBJECT: The Planning Process

formulation and strategic planning are closely related. Policy
is essentially an agreement, however arrived at, by decree or
by concensus, but preferably by a meeting of minds after
examining alternatives, that is concerned with objectives of action
and the ways and means to achieve those objectives. Policy implies
an accurate forecast of needs to cope with future situations, the
capability and authority to act, and the will to act at the proper
time. Attachment 1 is a chart graphically describing the explicit
and implicit elements of policy that unify and permit its trans-
formation into a course of action. Set forth below are the basic
elements of strategic planning.

    a. Strategic Analysis: Primarily concerned with forces
of action with the term "option" denoting defined courses of
action which have been subjected to selection procedures and
judged by competent authority as suitable. In other words,
a set of studied choices open to the decision makers.

    b. Suitability: Applying several sets of criteria to
screen the options and reduce, in accordance with policy
guidance, mission responsibilities and assumptions.

    c. Feasibility: Suitable courses of action subjected
to feasibility studies to rule out those not feasible.
Feasibility is judged against the following factors:

        (1)   Standards or operational requirements.

        (2)   Operating environment.

        (3)   Restrictions imposed by physical limitations.

        (4)   Limitations of resources, i.e., funding,
personnel, skills, etc.

    Note: All factors should be appraised separately
and together.

    d. Acceptability: The courses of action judged
suitable and feasible are subjected to analytical
evaluations to provide basis for ruling out unacceptable
courses of action. There are four factors involved with
acceptability. These factors and a chart showing the
mechanism for the feedback and recycling of selection
criteria used in the process of ascertaining suitability,
feasibility, and acceptability are appended as Attachment 2.

4

SUBJECT: The Planning Process

Attachment 3 is a chart depicting the steps used to evaluate feasible alternatives to arrive at the judgments which provide acceptable alternatives.

7. In mission analysis, the sole task is to develop a concept of the mission in relation to the situations, events, and contingencies expected to be encountered in the future. Ergo, the preliminary planning step leading to the strategic analysis project. Basic parts of mission analysis are the factors of needs and issues. To arrive at a correct analysis it is necessary to examine (visualize) future potential situations, events, and contingencies, then diagnose the needs as a basis for delineating the issues and finally what courses of action to take.

8. The concept of strategic planning presented herein places primary emphasis on reaching agreements in a series of steps, and agreements are required at each step in the planning operation before proceeding to the next step. A brief description of these steps is provided by Attachment 4.

9. It should be noted that we have deliberately omitted systems analysis as a factor because it applies mainly to those areas where you have hardware or engineering development stages. Although systems analysis is used to support cost effectiveness evaluations, what it generally evaluates is the performance of a system or its components as opposed to its strategic effectiveness.

10. In conclusion, high-level managers and their senior planners must be able to visualize future needs, identify important issues they may face, and initiate timely and appropriate action in order to keep the risks of being caught unprepared to an absolute minimum. Competent strategic plans will furnish necessary support and act as guides to management actions. In strategic planning a high degree of diagnostic skill is required to provide the insight so necessary to perceive future situations. The application of exceptional foresight is also required to determine the constraints, the opportunities, any roadblocks, and the contingencies that may be met on the way to the desired goals. Mission analysis and strategic analysis can help to provide these requirements and should be the basis for policy agreements that will make the follow-on programming and budgeting systems an effective management instrument.

5

SUBJECT: The Planning Process

We must avoid plowing headlong into strategic planning with
supreme confidence and find ourselves with that "almost-but-not-
quite charismatic group." In connection therewith, we believe
that there are certain pitfalls or obsessions that must be con-
sidered, and these are listed in Attachment 5. Attachment 6
provides some basic concepts for mission and strategic planning.

STATINTL

Michael J. Malanick
Director of Logistics

6 Atts

EXPLICIT AND IMPLICIT ELEMENTS OF POLICY

```
┌──────────┐                ┌──────────┐              ┌──────────┐              ┌──────────┐
│ Mission  │                │Strategic │              │ Policy   │              │ Course   │
├──────────┤   Issues       │          │  Options     │          │ Agreement    │   of     │
│ Needs    │   ───────>     │          │  ───────>    │          │ --------->   │  Action  │
├──────────┤                │Analysis  │              │Formulation│             │          │
│ Future   │                └──────────┘              └──────────┘              └──────────┘
│Situations│
└──────────┘
```

NOTE: Ends (objectives or goals), ways, and means are strategic
elements in planning. These are generally evaluated in a serial
arrangement one at a time. However, a coordinate arrangement, as
reflected by the schedule below, may be judged more suitable. To
clarify, quite often strategy is limited or determined by the means
available; in additon, the lack of an explicit policy will result in
an inclinaton to look first at the means proposed or available. In
these cases the what-have-we-got-to-do-it-with overshadows the ways
of achieving the ends or goals; i.e., the manager has no other choice;
and the objectives, the ways, and the overall strategy are determined
by the means. Given a clear choice, managers should use all of the
interactions provided by the schedule. In the preferred order, a
manager would examine: first, the ends (goals) they wish to accomplish;
next, explore the ways or methods to achieve the goals; then, assess
the means in terms of funds and other resources (human and material)
available.

ORDER

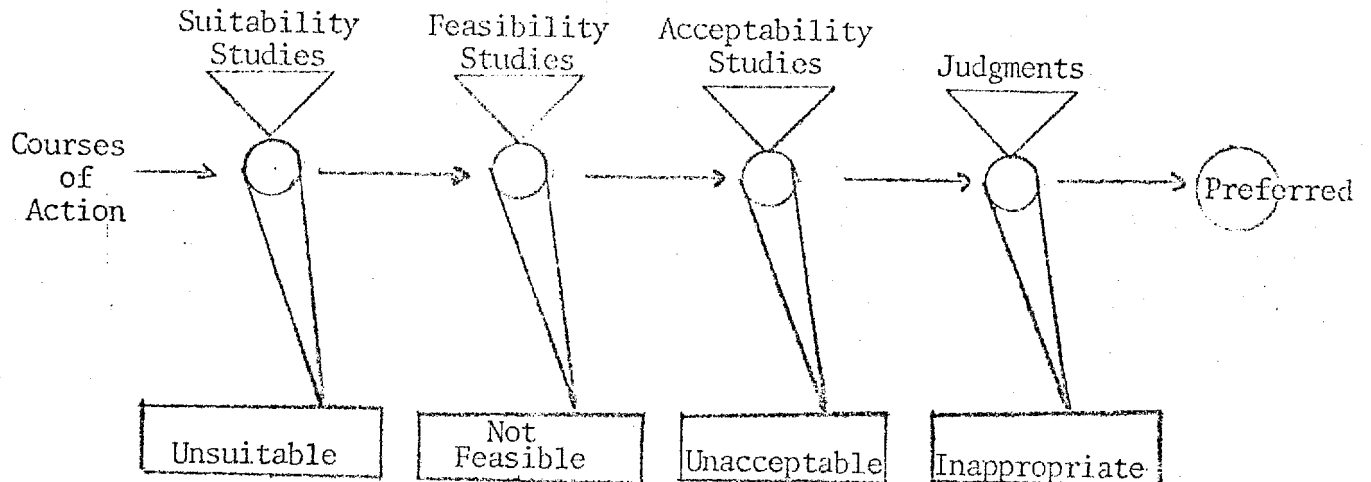|	First		Second		Third
1.	Ends	───────>	Ways	───────>	Means
2.	Ends	───────>	Means	───────>	Ways
3.	Ways	───────>	Means	───────>	Ends
4.	Ways	───────>	Ends	───────>	Means
5.	Means	───────>	Ways	───────>	Ends
6.	Means	───────>	Ends	───────>	Ways

THE FOUR ACCEPTABILITY FACTORS

1. Timing

2. Contingent Events as Forecasted

3. Performance of Proposed Means Employed in Different Ways

4. Gross Cost Estimates

NOTE: These factors are examined by varying the parameters and relating their effects in sensitivity analyses, i.e., a graphic charting of the various relationships, sensitivities, and trade-offs to aid in arriving at judgments of strategic effectiveness. In strategic analysis assumptions concerning contingent events, timing, cost, and performance are employed to a much greater extent than in systems analysis, although the techniques are similar. In strategic analysis the techniques are used to explore boundary conditions, to surface important interfaces, and to locate critical trade-offs among the factors involved. The payoff from these evaluations is a group of acceptable alternatives or options which are candidates for policy formulation and decision. Inappropriate alternatives can be shelved for future reference if any need should arise.

STEPS USED TO EVALUATE FEASIBLE ALTERNATIVES

Suitability   Feasibility   Acceptability
Studies   Studies   Studies   Judgments

Courses
of   Preferred
Action

Unsuitable   Not Feasible   Unacceptable   Inappropriate

STEPS USED TO REACH AGREEMENTS
IN THE STRATEGIC PLANNING PROCESS

1. Diagnosis of needs,

2. Identification and delineation of issues,

3. Formulation of proposed courses of action to settle the issues,

4. Elimination of inappropriate proposals and retention of the suitable, the feasible, and the acceptable,

5. Preparation of the retained alternatives as options for a policy decision,

6. Agreement concerning the policy, i.e., the objectives, ways, and means of action, and

7. Transformation of the policy into a preferred course of action as the basis for program and budget planning.

PITFALLS OR OBSESSIONS TO AVOID

1. Concentration on physical facilities and programs.

2. Emphasis on external environment, i.e., technological developments, short-deadline demand forecasts, current trends, etc.

3. Blueprinting the future--The art of using planning as a device to "fix" the future. Basic assumptions and viewpoints become fixed.

4. Failure to communicate--People fear a planned change and they resist being changed by other people unless they know why.

5. Overestimating the logical appeal of plans and resulting programs and underestimating the difficulty of making changes at the operating level.

6. Ignoring the existence of the "informal group," again a lack of communications. The informal group (mainly just concerned people) has an amazing ability to resist planned changes from outside planners. The informal group generally has a conservative influence on the planners, more often than not, a braking effect. Note: Successful planners pay daily respect to the informal group power.

7. Failure to analyze the talents and abilities of people in the organization as well as material resources. This has a lot to do with appraisal of tangible abilities such as identifying the efficiency minded, those with extraordinary skills or "know-how," and those with the ability to make decisions. At the same time, an assessement should be made of values and aptitudes and characteristics that can be classified as intangible assets.

8. An inability to be flexible and depart from any segment of the "master plan" in favor of an alternative strategy.

9. Regarding policy as the way things are being accomplished, i.e., a state of affairs arrived at by muddling through and hoping for the best, not by exercise or strategic foresight.

10. Using contemporay positions as a fixed and inflexible policy guide for the future.

11. Concentration on the idealistic or extreme visionary programs not germane to the immediate and practical interests of the organization.

BASIC MANAGEMENT CONCEPTS FOR MISSION AND STRATEGIC PLANNING

1. Determination as to what kind of business we are really in and how do all of the elements relate to one another. Admittedly a mixed bag, and it will not suffice to simply say "services."

2. Employing available resources in the proper manner, especially when changing circumstances or contingencies require a change of course.

3. Considering the element of leadtime in planning for contingencies far enough ahead to allow enough time for preparation and maneuvering.

4. The identification of possible or probable roadblocks and sources of interference which could delay or preclude reaching mission goals.

5. Conceiving a conceptual framework for planning, with a platform being the concept of the mission, around which to organize and guide systematic information gathering and analysis.

6. Recognizing that a contemporary position will suffice only for short-range procedures with limited capabilities.

7. Minimizing risks of being caught unprepared by relating the mission to estimates of future situations.

8. Based on the planning process and derived from all of the analyses and studies that define the courses of action or options, to agree on an appropriate policy, transform it into a preferred course of action and march forward.

9. Considering that when we think of long-range planning, we are thinking of those plans which will cover the period from 3 (preferably 5) to 7 years downstream.

Mike:

    For your information, and Jack's too if you wish to pass it along, I am indebted to ████████████████████████ for 25X1A their contributions and advice on this paper. I had asked Frank for his written opinion as to a Directorate planning concept and his thoughtful notes on the subject gave me assurances that I was on the right track. Helen provided an elaboration on the theme of a "Secretariat" to provide coordination of and control over the total planning effort, and her suggestion to establish a bibliographical planning reference I consider most valuable.

    Following is the bibliography of reference material used for special research, more assurances and graphic charts:

Ewing, David W.
"The Human Side of Planning: Tool or Tyrant?"
New York, The MacMillan Co., 1969

Mottley, Charles M.
"Strategic Planning" extracted from "Planning,
   Programming, Budgeting: A Systems Approach to
   Management" (Second Edition)
Edited By: Fremont J. Lyden and Ernest G. Miller
Chicago, Markham Publishing Co., 1973

Eccles, Henry E., Rear Admiral, USN, Ret.
"Logistics in the National Defense"
Harrisburg, Pa., The Stackpole Co., 1959

Morrisey, George L.
"Management by Objectives and Results"
Addison-Wesley Publishing Co., 1970

████████████████████ 25X1A

Copy _1_ of 8

2 : AUG 1974

MEMORANDUM FOR: Deputy Director for Administration

SUBJECT: Financial Guidance for 1975 and 1976

    1. This memorandum constitutes my guidance to you on the 1975 and 1976 programs of your Directorate. You are reminded that we do not yet have our appropriation for FY 1975. You should proceed with the implementation of your program with that caution in mind. In addition, because of the severe resource constraints we anticipate for 1976, even assuming no further reductions by OMB or the Congress, I am asking that you undertake certain detailed reviews to explore opportunities for possible further savings. The guidance and issues are based upon the data you submitted to the Comptroller in response to the Program Call, the Program Review book prepared by the Comptroller, and the discussion with you in the Management Committee on 2 August 1974.

    2. The program level for your Directorate is:

	FY 1975	FY 1976
Staff Positions		
Contract Positions		

25X9

For 1975 you will receive one allotment for all the programs of your Directorate reflecting the above totals. Since the Comptroller will no longer retain detailed allotment records at the component level, I will hold you responsible for creating similar controls at the component level to ensure that Directorate totals are not exceeded. Thus, I will expect you to keep your records and controls over your resources by major component as in the past, and to continue to provide project (FAN) and subobject class data to the Automated Budget Control (ABC) System for monthly verification of the way the resources are being used. Your first input to the ABC system should reflect initial program approvals; no reprogramming will be allowed until this data base is established.

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25X1A

3. Within the 1975 amount allotted above, ████████ thousand is provi████ for personal services costs of permanent staff and contract employment (subobject classes 1101 and 1145). For temporary and part-time employment, 180 A.E. is suggested and you should compute your own dollar amounts for subobject class 1148. You are free to allocate these monies to components as required and to reprogram between components as needed, subsequent to the initial input to the budget control system, but not to convert them to nonpersonal services object classes without the Comptroller's prior agreement. This step is being taken to help ensure our ability to meet a possible congressional reduction in our pending 1975 request as well as other problems or opportunities which may develop.

4. During the course of the Program Review, I approved certain key programs for 1975 representing major investments or activities in which I have a personal interest. Because of the importance of these projects, I expect them to be carried forward at the levels I have approved. For your Directorate, the specific activities are as follows:

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    a. The ████████ Program, funded at ██████ thousand for FY 1975, to include procurement of five field terminals, and entry terminals

25X1A

for both ████████████████

25X1A

    b. Secure Voice (Staff) to continue on a maintenance basis only during FY 1975 at a funding level of ██████████

25X1A

    c. Communications Area Facilities, funded for FY 1975 at ████████████████ A detailed list of specific projects scheduled to be funded within this total should be submitted to the Office of the Comptroller by 6 September 1974.

25X1A

    d. Office of Logistics Engineering Support, funded for FY 1975 at ██████████████████████ for Utilities Monitoring, a P.L. 92-313 reimbursement to GSA). A list of the specific projects planned for the current year to be funded within this total should be submitted to the Office of the Comptroller by 6 September 1974.

    e. Merged Computer Operations, funded at ██████ thousand for FY 1975 (with funds transferred from Operations Directorate).

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    f. Computer Assisted Field Terminals (CAFT). Continued development of this program at a funded level of ██████████ in FY 1975.

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g. Office of Communications factored costs for ███████ funded within your current FY 1975 allocation at ██████████ Any additional costs will be requested from the Reserve to meet the total FY 1975 ████████████ requirements.

h. COMIREX contractual studies, for which ███████████ was transferred from the Intelligence Directorate budget to OJCS, which will have supervision over the contract. In transferring these funds (and in putting an additional ██████████ in the OJCS program for 1976) I was seeking the economies of centralized management of ADP. However, I request that you ask OJCS to set up, with OJCS as chairman, a steering group composed of COMIREX, OD&E and the IC Staff to assist OJCS in achieving the general community objectives of the COMIREX program.

If for any reason you deem it necessary to change these levels by more than 10%, I will expect you to prepare a recommendation for the Comptroller who will usually seek my review. While I recognize that approved programs cannot always be carried out as originally planned, it is important that I be informed when changes occur and have the opportunity to review and consider the factors causing the changes to determine whether the funds approved earlier, or affected by the change, might be used better elsewhere. To facilitate continuing management review, the activities identified above must be specifically reflected by subobject class or in FAN (or combinations of FAN) accounts and you should work with the Office of the Comptroller to ensure that this request is met.

5. You will be expected to raise, for separate decision, any reprogramming which was not explicitly reviewed during the Program Conference and which would commit you or the Agency to an obligation of more than $250 thousand during the following five years.

6. There is one additional requirement upon which I must insist. The Program Execution Procedure set forth a requirement for notifying me, under certain conditions, before action is taken on activities approved during the Program Review. These involve:

a. Politically sensitive projects, carrying a significant risk of causing embarrassment to the U.S. Government in general or to the Agency in particular. Approval by the National Security Council of politically sensitive activities will fulfill this requirement.

b. Major contractual agreements undertaken on behalf of and funded by other agencies.

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3

c. Real property transactions which have the potential for raising security, political or operational difficulties.

d. Other individual transactions involving more than $500 thousand.

Although it will rarely be necessary to change a plan at the last minute, it is imperative that I be informed through the Comptroller before you take action on any of the kinds of projects described above so that they can be evaluated in relation to the then current status of the environment and the Agency's overall resource situation.

7. All matters covered above should normally be sent in one copy only to the attention of the Comptroller who will forward them to me when he believes they require my specific approval. In cases where he believes it unnecessary to inform me personally, he will so notify you. Periodically he will inform me of those items where he has determined my direct involvement was not required.

8. In paragraph one I noted the need to continue seeking opportunities to effect further savings in funds and positions. You will have your own ideas about how you might approach this problem but there are a number of areas where I believe attention will prove rewarding. You are requested to consider and submit recommendations by the dates indicated:

a. Examining comprehensively the personnel and career management practices throughout the Agency and the resources devoted to them. Your examination should take into account the differing career management needs of the Directorates and should identify areas where differences serve no useful purpose. The objective should be to provide the most effective career management system for the Agency with reduced resources in FY 1976. 28 February 1975

b. Developing and instituting a multi-faceted program to reduce the cost of day-to-day Agency operations in areas most seriously affected by inflation. Managers and individual employees must be made aware of ways in which they can effect savings through frugal use of materiel resources. 31 October 1974

c. Accelerating the development of methods to identify the costs of services furnished to Agency components; and expanding that effort to include a systematic study of all areas of activity where modification of the way we budget for goods and services

might focus managerial responsibility more sharply on the alloca-
tion of resources. Such a study should bear in mind the cost/
benefit tradeoffs, and should stop short of developing systems
which would cost more to administer than their implementation
might save. 31 December 1974

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d. Studying, in coordination with the IC Staff, ways in
which the ████████████████████████ might be used by other
parts of the Intelligence Community in the long term. Pro-
25X1A posals should include alternative ways in which the cost of
operation of the ██████ might be shared beginning in FY 1978.
Action to implement such a program probably should be deferred
until we have some experience with the current arrangement,
but proposals should be ready for inclusion in the FY 1978
Program submission.

e. Developing a system of costing security investigations
conducted on behalf of NRO. The purpose should be to
develop hard data which would permit us to charge such costs
to the NRO budget beginning in FY 1977. 1 March 1975

f. Investigating the economies which might be realized by
using forms of ████████████████████████████████████ 25X1C
25X1C ██████████ Agency communicators overseas. 1 February 1975

g. Studying ways in which the cost of providing communica-
tions services might be charged to individual customers within
the Agency as well as other departments and agencies. 1 March 1975

9. The other Deputies have been asked to undertake studies in their
own areas of responsibility. Some of them will be of interest to you and
some will require your cooperation and assistance:

a. The DDO has been asked:

(1) to consider, with DDS&T, the merging of
Division D, OEL, and relevant parts of OTS into
a single organization supporting SIGINT collection;

(2) to define the minimum necessary overseas
structure; identifying for each country the irreducible
minimum level of resources required to sustain the
essential operations at each station and base including
communication and all other support costs; and

25X1A

(3) to establish a language training complement
and suggest an appropriate size and how it should
operate.

b. The DDS&T has been asked to conduct a study of technical
support to agents, including communications support, to determine
whether and to what degree such support should be made the
responsibility of one component. The types of support required,
the costs of this support in manpower and in equipment, and
current practices in decentralized funding should be examined.
This study will involve, at a minimum, OTS, OD&E, OC, Div D
and OEL.

c. The Comptroller will direct a study of the resources
devoted to our accounting, certification, and budget functions
throughout the Agency. He will examine the whole process
of resource control in terms of structure, timing, information
requirements, use of computer time, and relevance to manage-
ment needs at various levels.

25X1A

W. E. Colby
Director

6

11 September 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Financial Guidance for 1975 and 1976

REF   : Memo to DD/A fr DCI dtd 23 Aug 74; same subject

STATINTL   1. Discussion with Mr. ████████ Comptroller's Office regarding clarification of several paragraphs contained in reference resulted in the following:

Paragraph 5

"You will be expected to raise, for separate decision, any reprogramming which was not explicitly reviewed during the Program Conference and which would commit you or the Agency to an obligation of more than $250 thousand during the following five years."

Any reprogramming which raises the total obligations of a project/program by more than $250,000 during the following five years, above the amount contained in the current FY 1976 budget (OMB) will require higher level decision.

Paragraph 6.c.

"Real property transactions which have the potential for raising security, political or operational difficulties."

Exclude safehouses in the Metropolitan D.C. area unless the component concerned feels there is something unusual about the transaction and therefore higher level concurrence should be required.

Paragraph 6.d.

"Other individual transactions involving more than $500 thousand."

Procurement transactions conducted through the Agency Property Procurement Account apply if the purchase is for a single item and the total exceeds $500K, however, if the transaction involves procurement of a number of items (replenishment of stock) and the total of all items exceeds $500K,

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-2-

STATINTL it does not have to be approved by higher authority. If the transaction
is unusual; i.e., purchase of ████████████████ it should be written up
for approval before proceeding.

████████████████████   STATINTL

DD/A Plans Staff

F O - 001A

DD/A 74-3473

9 September 1974

MEMORANDUM FOR: Director of Communications
                Director of Finance
                Director of Joint Computer Support
                Director of Logistics
                Director of Medical Services
                Director of Personnel
                Director of Security
                Director of Training

SUBJECT   :   DD/A Management Conference,
            27-29 September 1974, ██████████   **25X1A**

    1.   The DD/A has asked that the following item from the DCI financial guidelines for FY 75 and 76 be included in the Management Conference agenda:

    "8. b.   Developing and instituting a multi-
    faceted program to reduce the cost of day-to-day
    Agency operations in areas most seriously affected
    by inflation. Managers and individual employees
    must be made aware of ways in which they can effect
    savings through frugal use of materiel resources."

    2.   Please be prepared to discuss this item from the standpoint of your Office.

████████████████████████   **25X1A**

          A/Chief, DD/A Plans Staff

cc: EO-DD/A

OC-M-74-467
15 August 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DDM&S Planning Council

REFERENCE   : DDM&S 74-3022, 8 August 1974

1.   This is in response to referenced memorandum which
requests the Office of Communications comments on a concept
of establishing a DDM&S Planning Council.

2.   The Office of Communications is already heavily
committed to planning activities related to the conduct of
our business. On an annual basis we develop those plans and
programs which are required to keep the Agency's communications
systems operating effectively and efficiently and responsive to
known and projected requirements. In addition, when we are con-
templating major system changes such as those related to ███████
or Secure Voice, we develop long range plans covering such
programs for ten or more years in the future. A major input   25X1A
to this planning process is derived from direct contacts with
our customers and with Agency components having peripheral
interest in the plan being prepared. For example, in preparing
our Secure Voice Plan we conducted a requirements survey involv-
ing direct contacts with virtually all Headquarters components,
and we consulted with the Office of Security regarding the security
of the present red-button system, contractor maintenance and
other security-related factors, and with the Office of Logistics
regarding matters within its purview. In a similar manner, OC
provides consultation and input to planning studies being carried
out by other DDM&S Offices, such as the OJCS MAP plans and the
OL study on space requirements for environmentally sensitive
equipments. It is our feeling that the planning procedures
illustrated above have been and continue to be effective and
responsive to the needs of the individual offices. The activ-
ities of the proposed Planning Council should not duplicate or
replace these procedures which are already being effectively
employed.

SUBJECT: DDM&S Planning Council

3. If it is determined that a Planning Council is
needed at the Directorate level to make sure that the various
Offices are not making plans which contradict or duplicate
plans of other Offices within the Directorate, it appears to
me that the DDM&S Plans Staff should be the focal point.
When and if that Staff determines that there is a lack of
coordination or cohesiveness in the plans of the various
Offices then they can call meetings of representatives of
the Offices affected. Periodic informal meetings of Plans
Officers from all the Offices could also be continued as in
recent months. I certainly do not visualize a need for
development of an overall Directorate plan which encompasses
all of the various programs going on within the Directorate.
Since we are a very diverse group of Offices, it appears that
the possibilities of overlapping plans or contradicting plans
are relatively remote.

25X1A

Director of Communications

ADMINISTRATIVE - INTERNAL USE ONLY   1 5 AUG 1974

MEMORANDUM FOR: Executive Officer to the Deputy Director
                   for Management and Services

SUBJECT   :   DD/M&S Planning Council

REFERENCE   :   DD/M&S 74-3022 dtd 8 Aug 1974, Same Subject

     1. We believe the proposed Directorate Planning Council
has the potential for making significant contributions to the
long term planning process in areas of DDM&S concern.

     2. In our view the importance of the role of this Council
warrants the personal attention of office directors. We,
therefore, favor the reference proposal that the permanent
membership of the Council be comprised of the ADD/M&S and
the Office Directors of Communications, Joint Computer
Support and Logistics. As a suggestion we believe the
permanent membership should be augmented by perhaps two of
the directors of the remaining five offices who would serve
annual terms on a rotating basis.

     3. We believe that additional planning for operation
of the Council, frequency of meetings, approach to problems,
etc., should await formation of the Council and be subject
to the Council's direction.

                                                        STATINTL

                   Thomas B. Yale
                   Director of Finance

OJCS 1108-74

15 AUG 1974

MEMORANDUM FOR: Executive Officer, DD/M&S

SUBJECT : DD/M&S Planning Council

REFERENCE : Memo to D/OJCS fm EXO/DD/M&S, dtd 8 Aug 74, same Subj (DD/M&S 74-3022)

1. I have the feeling that even with the "extended discussion on the increased need for planning in Government" which took place on 26 July and 5 August 1974 at meetings with the DD/M&S, there is little commonality among the DD/M&S Office Directors of what such plans should include or look like. As with your memorandum, the things that come through the clearest are procedural, i.e., possibility of two Planning Councils, possible membership on these councils, etc.

2. What is needed, apparently, is better guidance on the substance of such plans or Planning Councils. It would be very helpful if the DD/M&S listed, for each Office or Planning Council, the types of questions he expects the planning to answer. Another way to get his idea across would be to distribute a plan from some other organization that illustrates what he has in mind. It is our intention to draft an OJCS plan as we understand the requirement before the September meetings. This would be in addition to the OJCS Systems plan covering FY-75 - FY-78.

3. As for the three schemes for Planning Council representation, I favor the alternative in paragraph 3c of the reference. Regardless of which alternate is selected, I suspect it would be wise to allow for meetings to be attended by such additional personnel as the Office Director and DD/M&S feel are appropriate. It is believed that alternative 3c would result in a better end product. It is my opinion that the Office Directors could not allot sufficient time to the planning to do it justice while trying to manage their Offices.

25X1A

HARRY E. FITZWATER
Director of Joint Computer Support

Distribution:
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        2 - O/D/OJCS

CONFIDENTIAL

1 6 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : Suggested Agenda Items for the ▉▉▉▉▉▉ 25X1A
                   Conference

REFERENCE   : Multiple Adse Memo dtd 8 Aug 74 fr EO-DD/M&S,
                   subject: DD/M&S Planning Council

1. In connection with the ▉▉▉▉▉ conference scheduled in 25X1A
September, we are providing a list of topics suggested by the
various Divisions and Staffs as possible items for inclusion in
the conference agenda:

   a. Centralized Interface with Department of State.
Because the Agency has diversified business and contacts
with State [Office of Logistics (OL), Office of Finance
(OF), Office of Communications (OC), ▉▉▉▉▉▉▉▉▉ 25X1C
▉▉▉▉▉▉▉▉▉▉▉, it frequently happens that infor-
mation is passed, or decisions are made, by one contact
which are of concern to one or more of the others and which
might or might not be shared. Perhaps a small focal point
office, with representation from the elements concerned,
could be established which would insure that all elements
would be made aware of any mutual State/Agency arrangements.

   b. Cable Slug. As an alternative to the above, and one
that could be implemented immediately, would be the creation
of a cable slug such as "State" or "Dept." which would
indicate interface actions. Scheduled routing of such
traffic would notify all components concerned so that any
required coordination could be undertaken accordingly.

   c. DD/M&S Managerial Training. Senior management
training at the university level depends, to a large extent,
on the case study method. Perhaps such courses could be
developed for managers or emerging managers at the Office
level within the DD/M&S. At the next lower level, case study
courses could be developed for training in the more
functional disciplines (e.g., within OL, such courses could
be directed toward supply, procurement, transportation, etc.).
Such formalized training might be more effective than on-the-
job training in the development of DD/M&S managers.

CONFIDENTIAL

SUBJECT: Suggested Agenda Items for the ████████ Conference   25X1A

   d.   Funding and Control of Renovation Projects.   If the
various components were required to plan and identify
facilities requirements or renovations well in advance, it
would permit OL to budget and to schedule its work forces,
as well as the work forces of supporting agencies, and
establish a more efficient and meaningful priority system.
Frequently, under the current system, components can come up
with last-minute requirements and, since they fund such
requirements, they demand immediate action.

25X1C

   f.   Recruiting.   In general, attention should be called
to the continuing problem of the administrative and handling
time for employee applications which can cause, and probably
has caused, the loss of qualified applicants.   More
specifically, recruiting problems are impacting on the
maintenance of a sufficient courier force.   The point is,
this is an area of service that impacts on the entire Agency.
Finally, the Skills Bank, which was designed to provide an
early review of applicant files has not been effective for
OL purposes.   Being located outside of the Headquarters
Building, we find it delays the review process rather than
accelerates it.

   g.   Upward Mobility.   The DD/M&S might wish to consider
a Directorate-wide Upward Mobility Program as opposed to
having each Office administer its own.   While each Office
could be tasked to identify positions to be used for on-the-
job training or eventual assignment at the GS-06 through
GS-08 levels, a Directorate program would permit crossover
among Offices for the development of those lower-graded
employees.   It would also allow a freer movement of those
employees who might currently be locked into positions or
occupational series which do not permit them to realize
their full potential.

CONFIDENTIAL

SUBJECT: Suggested Agenda Items for the ██████ Conference   25X1A

   h. Space. The DD/M&S might wish to brief the Office
Heads regarding the current problems with space, particularly
within the Headquarters Building, and what to expect in the
future. For example, any Headquarters space which might
be relinquished within the DD/M&S is already earmarked for
the Office of Joint Computer Support. Components should
consider space external to Headquarters (e.g., Rosslyn) in
their future planning.

   i. Consolidation of Courier Services. Office Heads
might like to know the status of the program and how it
relates to courier recruitment (paragraph f. above).

   j. Furniture and Interior Decorating. It might be
appropriate to discuss the financial and physical problems
associated with this topic.

   k. Small Purchases Branch (SPB). The capabilities of
the SPB, and the advantages of its use, could be explained
and discussed. Some example advantages are:

      (1) Quick reaction.

      (2) Reduction in paperwork.

      (3) Reduction in OL and OP operations since items
   procured through the SPB are not processed through the
   Financial Property Accounting system.

It could also be pointed out that items procured through SPB
are chargeable to funds rather than Property Requisitioning
Authority. This is a point which is not widely understood
except by budget and fiscal officers.

   2. We shall be glad to provide additional details to support
any of the above topics which might be selected as agenda items.

   3. With respect to providing recommendations to improve the
long-range planning process (which we felt was one of the main
thrusts of the referent), and in accordance with my telephone
conversation with the EO-DD/M&S on 13 August, I am limiting my
comments at this time to stating that the assignment of a group

3

CONFIDENTIAL

SUBJECT: Suggested Agenda Items for the ███████ Conference 25X1A

of Office Directors to perform as a Planning Council under the chairmanship of the Associate Deputy Director for Management and Services would appear the most effective of the alternatives presented to deal with broad base aggregate planning. However, I do propose to treat the subject of long-range planning more fully and will forward an additional paper on this subject to the DD/M&S prior to 30 August 1974.

/s/ Michael J. Malanick

Michael J. Malanick
Director of Logistics

16 AUG 1974

MEMORANDUM FOR: Deputy Director for Management
                and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memorandum from EO-DD/M&S, dated
                  8 August 1974, subject as above

     As requested, the referent memorandum has
been considered in the OMS, and comments are as
follows.

     Since we are uncertain how Directorate
planning should be organized, we would favor
further discussion -- and learning -- while
the question remains open. If our position
is desired at this time on one of the three
alternatives outlined in the referent memoran-
dum, we would favor the third alternative, i.e.,
using the existing Directorate planning mecha-
nisms.

STATINTL

                    JOHN R. TIETJEN, M.D.
                  Director of Medical Services

ADMINISTRATIVE-INTERNAL USE ONLY

15 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   :   DD/M&S Planning Council

REFERENCE   :   Memo dtd 8 August 1974 to DD/M&S Office Heads
                     from EO-DD/M&S; re same subject

      Jack:

          We have studied Skip's memorandum concerning
your views on the need to develop a planning mechanism or
council.

          I am puzzled at the emphasis given in this
memorandum to the Offices of Logistics, Communications and
Joint Computer Support as the areas for which planning needs
are the greatest. The increasing attention by the Director
and the Management Committee on personnel reductions, manpower
controls, and the many significant implications of PASG, as
well as the constraints on money and personnel, calls for
personnel planning of the highest order.

          I agree, of course, that the planning
responsibilities of the Offices of Logistics, Communications
and Joint Computer Support are complex and fully support the
suggestion that these Offices be grouped. At the same time,
I suggest for your consideration a similar grouping of the
Offices of Personnel, Security, Training, and Medical Services
charged with the same planning responsibilities you have in
mind for the other Offices.

          I also believe that the need for long-term
planning demands a level of attention which requires personal
participation by the Heads of the Offices concerned. Staff
support to these councils could be provided by the DD/M&S
Plans Staff with assistance to each Office Head from his own
planning staffs. To all who can use the data, we would supply
our various manpower projections and forecasts which should be
useful for many long-term planning considerations.

<div align="right">STATINTL</div>

                    F. W. M. Janney
                Director of Personnel

1 6 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memo to Office Heads fr EO-DD/M&S
                    dtd 8 Aug 74, same subject
                    (DD/M&S 74-3022)

     1. This memorandum responds to referent request and
is for information only.

     2. We suggest a DD/M&S planning mechanism organized
along the following lines:

          A. a Planning Council consisting of the Deputy
     Office Heads and chaired by the ADD/M&S;

          B. a Planning Committee consisting of the
     Planning Officers of each of the DD/M&S Offices
     and chaired by the Chief, DD/M&S Plans Staff.

     3. This planning group would somewhat parallel the recent
organization of a Senior Personnel Resources Board and a
Personnel Resources Committee. The Planning Council would
consider broad policy issues and make planning assumptions
upon which detailed planning was to be based. The Council
would act as a whole in considering issues affecting the
plans of all Offices, such as anticipated trends in per-
sonnel and funding ceilings in future years, in identifying
functional areas where contingency plans should be developed,
in evaluating the efficiency of our current Directorate
organization, etc. In dealing with matters of concern to
a more limited number of Offices, the Council could divide
itself into sub-groups, such as the Offices of Logistics,
Communications, Joint Computer Services, and Finance for
matters dealing primarily with our physical assets, and
Personnel, Security, Medical Services, and Training for
matters dealing with our personnel assets.

                                        E 2 IMPDET
                                        CL BY 056516

                                        OS 4 0487-A

- 2 -

4. The Planning Committee would provide staff support
to the Council by preparing and referring back to the Council
detailed planning documents. The Committee should also
suggest to the Council areas in which policy decisions or
guidance are needed for planning purposes.

25X1A

Charles W. Kane
Director of Security

DD/M&S _74 - 3099_

CTR-0573

18 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memo to Office Heads fm EO-DDM&S dtd 8 Aug 74;
                  same subject

1. I endorse the idea of a Planning Council for the Directorate
and envision it studying and making recommendations to the DDM&S related,
inter alia, to the following:

    a. The efficient and equitable allocation and use of
authorized fiscal and personnel resources.

    b. The most appropriate distribution among components
of unanticipated or crash reductions in resources.

    c. The Directorate positions on matters of future concern,
i.e., DCI Perspectives for Intelligence 1975-1980, technological
developments impacting on M&S components and related matters
where "brain storming" by a knowledgeable group could be inno-
vative and productive.

    d. The review and evaluation of the Directorate planning
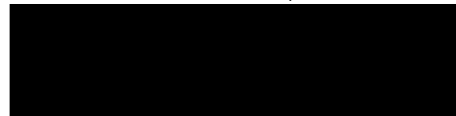systems for relevance and effectiveness.

25X1A
2. Unlike almost anything else we do, except the periodic Directorate
management conferences at the ███ a Planning Council has the ancillary
benefit of developing understanding and cohesion among components. Achieve-
ment of such a goal may be just as important as any substantive product
of the Council.

3. Somewhat unlike the referent alternatives, I believe there should
be just one Council and that each of the eight components should have one
representative, probably the Deputy Director (with the Office Director
as alternate). While the logical Directorate breakout of services and
people exists, as noted in referent, I believe sufficient overlap is
always present to render such a firm division of planning groups very
difficult. Hence, the single Planning Council concept seems more practical.
Sub-committees or sub-groups could be assigned tasks as required, but
always for later consideration by the entire Council.

EX 2 IMPDET
CL BY 057999

4. Finally, I concur that the group be chaired by the Associate
DDM&S and suggest that the Chief, Plans Staff, DDM&S, be Executive
Secretary to the group.

25X1A

Alfonso Rodriguez
Director of Training

CONFIDENTIAL

22 August 74

25X1A

SUBJECT: Additional Comments on the DD/A Planning Council

 The attached chart summarizes the preferences of the various Offices with respect to a DD/A Planning Council. The following are some comments which were included in the Office memos:

 --Would be useful for DD/A to cite for each Office or Planning Council the types of questions he expects them to answer. (OJCS)

 --Security's preference follows model of Senior Personnel Resources Board and Personnel Resources Committee recently established.

 --Use sub-committees or sub-groups for specific tasks (OTR).

Bob

Att.

Reactions to DD/A Planning Council

Office	PREFERRED ALTERNATIVES		
	A	B	C
	A-DD/A + D/OL, OC & OJCS	A-DD/A + 3 Office Deputies	C/PS-DDA + Office Plans Chiefs
Logistics	X - Did not specify which Office Directors		
Medical			X
Commo			X
Finance	X - Augment with two other Directors rotating.		
JCS			X
Personnel	X - D/L, D/C, & D/JCS (1 grp) D/P, D/S, D/T, & D/M in 2nd grp.		Staff support to 2 groups in Alt. A
Security		X - Council of all Office Deputies & Committee of all Plans Officers	
Training		X - Include all Office Deputies. Use C/PS-DDA as Exec. Secretary	

DD/M&S 74-3022

MEMORANDUM FOR: Director of Communications
                Director of Finance
                Director of Joint Computer Support
                Director of Logistics
                Director of Medical Services
                Director of Personnel
                Director of Security
                Director of Training

SUBJECT   : DD/M&S Planning Council

1. At the DD/M&S monthly meeting of 26 July 1974, there was some extended discussion on the increased need for planning in Government, in the Agency, and in the Directorate. The thought was expressed that some of the Office Directors might be given specific responsibility in this area as members of a Directorate Planning Council. It was agreed that there would have to be increased emphasis on long-term planning, this did not necessarily mean larger planning staffs in the various Offices, and the topic would be discussed at the ████████conference in September.   25X1A

2. At the special meeting with Office Directors on 5 August 1974, the DD/M&S further discussed the concept of a planning mechanism or a Planning Council, which might possibly involve an alignment of the three major components which have particularly complex planning responsibilities-- the Offices of Logistics, Communications and Joint Computer Support. (Some of the other components, such as the Offices of Personnel, Security and Medical Services are more oriented towards people and the screening problem, which is a separate matter.)

3. For purposes of discussion and further consideration, the DD/M&S Plans Staff developed three alternative approaches to the problem:

   a. The assignment of a group of Office Directors to perform the function of the Planning Council under the chairmanship of the ADD/M&S. The three Offices that have the greatest impact upon the Directorate in this area are Communications, Joint Computer Support and Logistics. If the three Directors perform in this role, the Deputies would of necessity have increased responsibility during the period that the Council is in session, particularly in the months preceding Program Call.
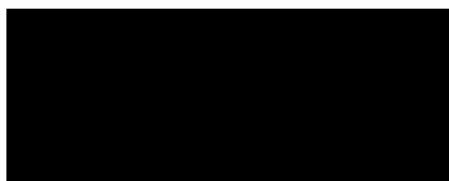
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b. Another alternative would be to call upon three of the Deputy Office Directors to meet on planning. This would also be under the chairmanship of the ADD/M&S.

c. A third alternative would be to convene a group under the chairmanship of the Chief, Plans Staff, consisting of the planning officers of appropriate Offices. In this case, individuals should be selected for their substantive knowledge of the planning process rather than as representatives of the Offices. There might possibly be input from subunits in such areas as technological matters.

4. Office Directors, in an overall effort to improve the planning process, are urged to further staff out this issue and furnish their comments, suggestions, or recommendations by close of business 30 August 1974. This will then be pulled together and you will be provided with a summary prior to the ▮▮▮▮▮▮ conference.

25X1A

25X1A

Executive Officer to the
Deputy Director
for Management and Services

cc: C/PS-DD/M&S

(conference book)

25X1A

EO-DD/M&S▮▮▮▮▮kmg (8 Aug 74)
Distribution:
Orig - D/CO
 Xcy - Ea additional adse (D/F, D/JCS, D/L, D/MS, D/P, D/S, DTR)
   1 - DD/M&S Subject
   1 - DD/M&S Chrono
   1 - Mr. Blake's conference book
   1 - Mr. McMahon's conference book
25X1A   1 - ▮▮▮▮▮ conference book
   1 - ▮▮▮▮▮s conference book

2

DD/A 74-3305

27 AUG 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT   : Agenda Item for ████████ Conference   STATINTL

    MBO as a management technique has been in use by

this Directorate for slightly over a year. We will be

discussing MBO further at the ████████ conference. As   STATINTL

part of the discussion, I would appreciate your taking

the time to evaluate how MBO has worked in your Office

and be prepared to share with the rest of us your views

on this subject.

                        /s/ JOHN N. McMAHON
                            John N. McMahon
                        Acting Deputy Director
                                for
                            Administration

CPYRGHT

((

Finally someone has admitted to those tactics that managers really use.

Management's secret techniques

CPYRGHT

By Alan Boydell

THE SUCCESS OF MBO has been so great that other proven managerial strategies are being gravely underutilized. The problem is especially acute in the case of young business graduates who are still in the throes of their managerial apprenticeship. Frequently, such people have a surfeit of knowledge, but only a modicum of ringcraft, and need greater exposure to the realities of management. Here, then, are seven alternatives to MBO which no person of ambition can afford to ignore. Judiciously selected and discreetly applied, they will add breadth and perspective to existing skills.

Management by coercion.

Since most modern managers see themselves as liberal and enlightened, this somewhat primitive approach is now distinctly unfashionable; indeed, only a few dinosaurs still espouse it openly. But it is not really dead—only used more subtly. For example, while it is rare for a boss to fire a man just because he dislikes him, there is nothing to prevent him from withholding a salary increase, or from deleting the man's name from a promotion list. Again, should he wish to get rid of a really troublesome individual, he need only restructure the person's job so that his weaknesses are exposed. The subsequent dismissal then be-

comes a mere formality, and invariably the boss will be commended for his vigilance.

Management by conversion. Hitch your wagon to a rising executive—but be ready to jump off if he begins to falter. The signs of a downward trend in your patron's fortunes are usually unmistakable: frequent absences from training courses; his sudden reassignment to a "consultancy" role; and, most sinister of all, the dismemberment of his empire into smaller units. As soon as the vultures start to gather, it is time to nail your colors to some other mast. Discreetly, you will begin to air your "reservations" about your patron's policies. You will stay silent at meetings when he is expecting your support. And during casual conversation with his most bitter opponents, you will confess to a growing disenchantment.

By the time the blow falls on the unfortunate, conversion to the other camp should be virtually complete. And far from being spurned as a renegade or a turncoat, you will be welcomed to the fold like the Prodigal Son. But beware; the price of survival is eternal vigilance.

Stop toting that barge

Management by desertion. This technique will bring peace to any executive who may be worrying about the possibility of a breakdown caused by overwork. If you are becoming overwhelmed by your problems, the answer, of course, is to delegate.

Every manager needs time to

recharge his batteries, so have no qualms about delegating your more mundane duties. After all, one of your key responsibilities is to develop your subordinates, and there is no substitute for experience gained on the job. Moreover, you can use the time saved to engage in more important activities, like planning the recruitment of additional staff. Many executives have soared to great heights through their prowess as delegators; indeed, some are always in demand as chairmen at management conferences and only a few have been careless enough to get fired.

Management by diversion. In the days of ancient Rome, the uncouth masses were diverted from their miseries by the skillful use of popular entertainments such as gladiatorial contests. In modern companies such needs are satisfied by generous fringe benefits and recreational facilities. There is something here for everyone. The dissatisfied executive may not have much of a job, but at least he has a pension. The worker on the assembly line, however bored, can look forward to the Thursday evening darts match at the company club. Secretaries can make new friends at the lunchtime disco or over a game of ping-pong.

Promise them nothing

Management by perversion. This is, simply, the art of tailoring any communication to meet your own personal needs. It is not what you say, but what you leave unsaid that is important. This technique

is frequently employed by company chairmen at annual meetings, though there are plenty of other less exalted applications. For example, many "performance appraisal interviews" are not nearly as objective as their supporters claim; indeed, some are mere exercises in manipulation. The strategy used by "appraisers" at these discussions is invariably the same Keep the person interested and highly motivated, but never commit yourself to anything specific. Many an employee is assured that his "long-term prospects" are excellent, simply because he would be difficult to replace.

Management by submersion As every wise manager knows, the road to unemployment is paved with good ideas. Despite all the conference cant about initiative and creativity, it is safer to have no ideas at all if you wish to survive. By doing as you are told and plodding on regardless, you pose no threat to anyone and can merge into the background. Soon you will be regarded as a harmless decoration who is no more dangerous than a potted plant in the personnel office.

Unfortunately, as a manager, you will be expected to change things occasionally, and to change without changing requires no little skill. Sometimes you can take the lead yourself: For example, a few trivial adjustments to your departmental records system can be sold to your boss as a major innovation. More often, however, you will find yourself embroiled in changes

sparked by others, and it is frequently unwise to be openly critical. Far better to pledge your support, do the minimum that is necessary, and emerge virtually unscathed when the storm has passed. Enthusiastic words and apathetic deeds can undermine even the most radical changes.

Management by subversion. This last method is particularly favored by frustrated executives who seek to punish their companies for their lack of advancement. Such people are especially active in large organizations where there are strong traditions of corporate paternalism. The attitudes of these internal "freedom fighters" are easily defined: first, a total disbelief of all company publicity; second, a profound suspicion of higher management; and finally, an unshakable conviction that "pull," not performance, is the key to success. For them the corporation is a malignant force that can only be defeated by guerrilla tactics; hence most of their battles are fought in corridors and washrooms.

Curiously, few of the above techniques are mentioned in management textbooks or business schools; yet managers are adept at learning them where all the most effective management training takes place—on the job.   •

The Author: Alan Boydell is a pseudonym for an executive in a large company.

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: 7 D 18 Hqs.			EXTENSION	NO.
				DATE

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. Executive Officer, DDA 25X1A	9/3/74		D	Mr. Blake & Mr. McMahon have a cy.
2. ■■■■■■■■■	9/3/74		K	For my conference file
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FORM 3-62 **610** USE PREVIOUS EDITIONS □ SECRET □ CONFIDENTIAL □ INTERNAL USE ONLY □ UNCLASSIFIED

29 August 1974

MEMORANDUM FOR: Director of Communications
                        Director of Finance
                        Director of Joint Computer Support
                        Director of Logistics
                        Director of Medical Services
                        Director of Personnel
                        Director of Security
                        Director of Training

SUBJECT   : Implementation of PASG Recommendations

    1. The new approaches to personnel management resulting from the PASG recommendations established a Directorate-wide career service and changed the former ten individual career services into subgroups of the Directorate Career Service. The Deputy Director, as Head of his Career Service, was charged with developing policies and procedures for organizing, managing, and monitoring the personnel operations in the Directorate to best accomplish Agency objectives and his own requirements.

    2. The senior Career Service Board, composed of the Director of each Office, was renamed the Senior Personnel Resources Board and charged with the responsibility of helping the Deputy Director formulate Directorate-wide personnel policies and guidance and monitor the effectiveness of the activities of the subgroups in complying with these policies and guidance. To provide staff support to the Senior Personnel Resources Board, the Personnel Resources Committee was established and is composed of representatives from each subgroup.

    3. Each of you, as Director of your Office, is the Head of your subgroup of the over-all Directorate Career Service; and, at the same time, you are a member of the Senior Resources Board, which is concerned with the over-all Career Service. Your representative on the Personnel Resources Committee represents you in its endeavor to develop for the Board action plans for the following matters:

a. Policies, career subgroups and structures most appropriate for implementing the PASG recommendation that each Directorate will constitute a Career Service.
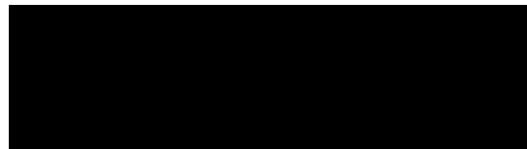
b. Directorate-wide objectives and plans to implement the ten DCI personnel objectives contained in the PASG report.

c. Specific means of implementing the 16 personnel responsibilities and authorities of the Deputy Director in the PASG report.

4. Tab A is a work chart developed for the Committee indicating the tasks it is undertaking and the time frames in which it hopes to accomplish them. Tab B lists the ten Agency personnel objectives and guidance for accomplishing them. Tab C provides suggestions with respect to the 16 Deputy Director's responsibilities.

5. The Personnel Resources Committee has inventoried existing personnel management practices and procedures which are being used in the various career subgroups. This data is being analyzed to determine what areas need to be examined in terms of the PASG recommendations. It is not the aim to have absolute uniformity of personnel procedures throughout the subgroups, but differences should be considered and a determination made that they are valid and in conformity with the over-all Directorate personnel objectives.

6. In order to provide recommendations to the Senior Personnel Resources Board concerning subgroup and Career Service actions, the Committee is going to need the cooperation of the Office Directors. The Committee believes that a viable and effective personnel management system for the Directorate Career Service can only be developed through the participation and cooperation of the career subgroups. It is realized that each Office Director has a difficult task in trying to develop a program in his own subgroup which will satisfy his Office's unique personnel requirements, and then having to participate in the Board's efforts to implement the PASG recommendations through a Directorate-wide Career Service.

STATINTL

Chairman
Personnel Resources Committee

Attachments

ILLEGIB

Next 1 Page(s) In Document Exempt

APPROACHES TO ACHIEVING DCI PERSONNEL OBJECTIVES

OBJECTIVE NO. 1 "Recruit, with full attention to equal opportunity policies, the best

qualified individuals to fill personnel requirements."

APPROACHES	METHODS OF ACCOMPLISHMENT
1. Consolidate component Advance Staffing Plans ith the Annual Personnel Plan.	1. The Annual Personnel Plan and the Advance Staffing Plan should be mutually consistent at the time of preparation of the former.
2. Promote the use of Vacancy Notices in and be- ween Directorates.	2. The Vacancy Notice system is available to assist the Senior Personnel Resource Boards in filling their Directorate's personnel requirements.
3. Increase the hiring of professional employees rom recognized minority groups in order to realize irectorate goals as stipulated in the APP.	3. OP will increase recruitment efforts in schools where there is a large minority representation enrolled, and develop an ongoing program designed to strengthen the Agency's ability to acquire minority employees.
	To the extent that funds can be made available, OP will in- stitute a program to bring selected Black applicants into Head- quarters for interview by interested operating components. OP will vigorously pursue minority Co-op applicants as a source for increasing the employment of minorities in professional jobs in the Agency.

...ents and Directorates

to the use of specially tailored training and rotation plans as

an integral part of the employment of Black applicants for

professional jobs, e.g., language and area training assignments.

Examine ways of improving the selection

ss, including the possible testing of applicants

pecific occupational groups.

4. OP and PSS/OMS have initiated relevant efforts.

OBJECTIVE NO. 2 "Maintain and enhance Agency professionalism at all employee levels by the

planning of future personnel requirements, the acquisition of needed skill mixes,

and by the training and qualifications updating of employees (as deemed necessary

to insure their qualifications-readiness for current and future assignments)."

APPROACHES	METHODS OF ACCOMPLISHMENT
More systematically plan future personnel staff- atterns and personnel flows in the Directorate and nents.	1. The Deputies and Component Heads, with the assistance of the Director of Personnel as appropriate, should evaluate their future work force characteristics and staffing needs in order to more effectively meet personnel requirements and assure qualified employees for future tasks. The Directorates can provide necessary guidelines on potential aggregate changes in manpower, grade structure and requisite skill mix and have an active role to play in the preparation of the APP.
Provide for the continued training and ?ications updating of employees on duty to ? their readiness to meet current and future ?ements.	2. The PDP exists as a major mechanism to serve this purpose, and is moving from an orientation on executive development toward a more comprehensive coverage of a wider mix of grades and occupations. For those groups not included in the PDP, an important role can be played by career counseling within the Career Service evaluation system. In general, training models or guidances should be provided for developing the necessary progression of skills and on-the-job experience.

3. Identify occupational affinity groups in the ;ency.

4. Annually review future component training plans d needs.

3. The Director of Personnel has been asked to modify the Qualification Record System to facilitate the ready identificatio of employees having qualifications appropriate to selected occupational affinity groups. By linking qualifications and occupations, it would be possible to enhance both employee mobility and career development with greater assurance of serving the interests of both the employee and management. To aid this effort, each Deputy should be prepared to make available individuals he believes particularly competent to participate in such studies and who would possess the knowledge and experience necessary to determine the qualifications and skills needed to me various types of requirements.

4. The Senior Personnel Resources Board could require each component to develop training profiles for their managerial offic and other occupational groups where training relates closely to j performance and employee development. Each Directorate also reviews training-related information in the APP and PDP which would provide a useful basis for discussions with OTR representatives.

OBJECTIVE No. 3 "Increase the impact and participation of the Deputy Directors in the

personnel planning and policy processes."

APPROACHES	METHODS OF ACCOMPLISHMENT
1. Implement Directorate personnel objectives.	1. The Deputy Directors will determine Directorate-wide objectives and action steps in support of the 10 DCI personnel objectives, and will consider the development of additional personnel objectives for Directorate-wide application.
2. Prepare Directorate-wide personnel guidances, governing the performance of personnel responsibilities and the establishment of career service structures and processes.	2. The Deputy Directors will develop Directorate guidances covering, as appropriate, the 16 personnel authorities and responsibilities designated in the PASG Report and any other personnel areas of concern to them. Priority should be given to the establishment of needed Directorate guidances on employee evaluations, rankings and promotion criteria, and the establishment of evaluation and follow-up systems to keep the Deputies continually informed on the effect and merit of their programs and policies.

OBJECTIVE "... important

personnel policies and processes by more frequent use of Agency and

component notices."

APPROACHES	METHODS OF ACCOMPLISHMENT
1. Prepare Agency Notices or Employee Bulletins on or personnel decisions having general applicability luding actions of the CIA Management Committee.	1. Important personnel decisions or information about planned actions that generally affect employees should be communicated as openly as possible at the instance of the DCI, the Management Committee, or the Director of Personnel, as appropriate.
2. Provide a mechanism to survey employee views comments on personnel management in the Agency.	2. The Director of Personnel will recommend guidelines to the Management Committee for the use of employee surveys, whenever appropriate, as an integral part of the Agency personnel system.
3. Improve personnel communications in the ectorates.	3. The SPRB will recommend to their Deputies how the communications system throughout the Directorate can be improved.

OBJECTIVE NO. 5 "Provide employees with opportunities and satisfactions

commensurate with their individual skills and ability."

APPROACHES

Accomplish this objective through general improve-

t in personnel management, as no single action

ers a solution. The pursuit of the other

ectives has particular applicability.

METHODS OF ACCOMPLISHMENT

This is a central objective for the totality of personnel

programs within a Directorate but it will not be achieved if

those programs are undertaken in a fragmented, uncoordinated

fashion. Thus it is incumbent upon the SPRB to maintain an

overview and to provide a coordinating mechanism for the

Directorate programs.

OBJECTIVE NO. 6 "Administer an employee recognition system in the Agency that uniformly
emphasizes individual contributions and outputs directed to the accom-

plishment of Agency and lower-echelon goals."

APPROACHES	METHODS OF ACCOMPLISHMENT

More closely relate employee recognition systems

omotions, challenging assignments, training, QSIs,

or and merit awards, oral and written acknowledge-

t, etc.) to achievement of organizational

ectives. Pay special attention to the possibility

increasing opportunities for supplementing

etary benefits with non-tangible rewards in

ognizing job achievement.

Policy on promotions and the use of QSIs is a major topic

of consideration for the SPRB within the context of Agency

regulations and policies. With respect to non-monetary

recognition, the SPRB could be briefed by OP on the

unevenness of past practices and could ask OP to

develop proposals for uniform procedures and guidance within

the Directorate, which may have needs warranting more

detailed consideration than provided by Agency-wide

regulations and guidance.

OBJECTIVE NO. 7 "Improve personnel development, including rotation of

professionals as practicable, is planned and acted upon."

APPROACHES	METHODS OF ACCOMPLISHMENT
1. Expand PDP to encompass professional personnel below the executive and pre-executive levels.	1. The Director has instructed that PDP needs to be applied in improving the personnel development of professionals generally. Deputy Directors should be prepared to extend the coverage of PDP to all professional and technical personnel, GS-09 and above, who have the potential for further lateral or vertical development.
2. Fully utilize the rotation plans stated in the	2. Deputy Directors should monitor the performance of the components under their jurisdiction in implementing rotation plans in the APP.

OBJECTIVE Approved For Release 2000/06/13 : CIA-RDP81-00261R000200050005-4 even

in components where advancement room is limited."

APPROACHES	METHODS OF ACCOMPLISHMENT
Identify "highly-talented employees" through the PDP.	The Deputy Directors should instruct boards and panels to give special attention to young highly-talented employees identified in the PDP. As long as these personnel live up to expectations, Deputy Directors should not permit boards and panels to use rigid time-in-grade requirements to preclude the rapid advancement of these individuals even though promotion spaces are limited. As boards and panels monitor the progress of high-potential employees they should remain abreast of the current skills, knowledges and other characteristics needed for effectiveness in key jobs at the senior level.

OBJECTIVE Approved For Release 2000/06/13 : CIA-RDP81-00261R000200050005-4 supervisors the

responsibility for judging the training needs of individual employees."

APPROACHES	METHODS OF ACCOMPLISHMENT
Periodic consideration by supervisors of individual developmental training needs (e.g., supervisory review time of Fitness Reports and Letters of Instruction eparation.`	In deciding the specific kinds of training most needed to develop individuals under their supervision all supervisors (first line, middle managers and executives) should focus on (a) career service requirements and (b) employee interests and needs rather than deciding upon enrollments as occasions arise.
	In monitoring training within their Directorates, the Deputies should examine the relevancy of training experiences to the subsequent utilization of employees concerned as required in the PDP.

OBJECTIVE NO. 10   Identify employees with the most and the least potential, through the use

of an appropriate evaluation system, following Agency-wide policy and guidance.

Develop better means of determining the possible use elsewhere in the Agency of

those employees who are judged to have qualifications for continued employment

even though they are considered surplus in a particular Career Service or

component.

APPROACHES	METHODS OF ACCOMPLISHMENT
1. Give priority to the establishment and operation of an appropriate evaluation system in the Directorates.	1. This will be a major responsibility of the SPRB in each Directorate. It is recommended that the initial step be for each SPRB to be briefed on present career management policies, practices, techniques, procedures, and organizational structure within the Directorate. These will form the basis for an interim system. The Boards will then need to acquire a staff capability, perhaps through appointing ad hoc task groups of component officers, to develop for Board approval Directorate-wide guidance on promotion and ranking conforming to Agency-level guidance. The Boards should seek to preserve flexibility of evaluation criteria among sub-panels when the nature of the work is sufficiently diverse between occupational groups as to affect the evaluation criteria deemed appropriate.
2. Develop or expand a career counseling program.	2. Each Sub-Career Service Board should be directed to

to designate the

CMO and specific members of each Board and/or sub-panels

as Career Counselors. Officers so designated should receive

training in counseling techniques. The existence of the

service and the names of the designated officers should be

disseminated to members of the Sub-Career Service Group.

3. Develop better inter-Directorate means of re-
lving surplus, qualified personnel.

    3. Qualified individuals surplus to the needs of one

Directorate may be suited to the needs of another. The

SPRB should consider how they might complement the role of

OP in finding useful employment for such individuals within

the Agency.

PROPOSED APPROACHES TO HANDLING 16 DD PERSONNEL AUTHORITIES AND RESPONSIBILITIES

AUTHORITY OR RESPONSIBILITY	SUGGESTED ACTION APPROACH
1. Develop and disseminate uniform promotion criteria.	1. Before establishing uniform criteria for promotion, evaluation, and ranking, the Senior Personnel Resources Board (SPRB) would find it useful to review current career management policies, practices, techniques, procedures, and organizational structure (Boards, Panels presently being used within the DDM&S. It would also find it helpful to review a checklist being prepared by OP on elements to consider in establishing a personnel evaluation system. The SPRB could then move to modify the system, as required, either on the basis of reviewing and approving specific proposals for modification originating from each Career System Sub-Group on the basis of policy guidelines developed in ad hoc study teams made up of Sub-Group representatives, or a mixture of both approaches. Whatever system is established should seek to maintain some flexibility so that criteria are established appropriate to the unique characteristics of specific

2. Establish an appropriate Directorate panel structure and procedures to conduct, at least annually, the evaluation and ranking of professional personnel.

3. Provide the evaluation panels with uniform ranking criteria that will identify employees with the highest and least potential and those in between. Normally, those having the lowest rankings will have this fact made known to them.

4. Provide for periodic review by the Deputy of evaluation activities and results.

2. Present Office Career Services i. the DDM&S should formally be redesi[g]nated as Career Sub-Groups which ar authorized to retain their present structures and "designations" unti[l] the SPRB concludes that changes mus[t] be made to improve personnel manage[-]ment within the Directorate.

3. Career Sub-Group representatives could make up a working study group serving the SPRB and tasked with the study of specific issues or problems relative to the development or dissemination of uniform evaluation criteria. (This process would occur after the SPRB review of current practices when it is in a position to make recommendations relative to establishing uniform criteria.

4. The SPRB should establish a schedule for briefing the DDM&S on the results of evaluation activities for each Directorate Career Sub-Group.

5. In connection with Management by Objectives, the Annual Personnel Plan and the Personnel Development Program, establish Directorate-wide personnel objectives.

6. Establish a program and criteria for the career management of supergrade personnel at the Directorate level.

7. Create a Directorate-wide counseling program which, as a minimum, will provide for the counseling of employees as appropriate in the evaluation process. Also provide for a visible counseling source or sources that employees can go to on their own initiative in order to seek job assistance and career guidance.

5. Individual offices within the DDM&S should participate in developing action plans for implementing Directorate personnel objectives related to the APP, PDP and PASG. The SPRB should be the focal point for the development of these objectives and should be responsible for monitoring Directorate progress toward the attainment of these objectives.

6. The SPRB should oversee the operation of a program for the career management of supergrade personnel.

7. Each Career Sub-Group should be directed to establish a counseling service. The CMO and specific members of career boards or panels within Career Sub-Groups should be designated as career counselors. Each career counselor should be provided training in counseling techniques. (OTR and PSS/OMS have developed a pilot course for this purpose.) The particulars as to the operation of the counseling service must be published and disseminated to all members of the Career Sub-Groups.

8. Organize logical groups, below Directorate level, on either a grade, function, program, etc., basis which, for their members, will implement the personnel policy guidances and instructions of the Directorate.

8. The need for changes in the present array of Career Sub-Groups can only be confirmed after further study and after the SPRB has become thoroughly familiar with existing structures. Special inter-Career Sub-Group panels could be established to assume cognizance and responsibility for employees in special categories should such be established after examination of occupational affinity groups by OP.

9. Establish Directorate standards for selecting candidates to attend senior schools or courses, including the requirement that consideration be given before the training as to how the trainees will be utilized after attending the schools or courses.

9. The SPRB should develop common standards and guidances as appropriate (OTR to provide technical support).

10. Establish Directorate policy and standards for approving external full-time and part-time training, including the requirement that consideration be given before the training as to how the trainees will be utilized after attending the schools or courses.

10. The SPRB should develop common standards and guidance after receiving input from each of the Career Sub-Groups (OTR to provide technical support).

1. Establish minimum training standards for managerial positions and for occupational positions or groups when training is considered significant for job performance and employee development.

11. DDM&S should require each Career Sub-Group to develop training profiles for their managerial positions and other occupational groups where training is an integral element in effective job performance and employee development. Following the review of their rationale by the SPRB they would be approved by the DDM&S. The PDP developed by each Career Sub-Group should include the establishment of training profiles for specific employee groups (by grade within occupational specialty).

12. Provide policy to facilitate inter-Directorate transfers and rotational tours.

12. SPRB to consider with staff support from OP.

13. Establish procedures and provide guidance for recommending Honor and Merit Awards.

13. SPRB should be briefed by OP on the past unevenness of standards for granting such awards. SPRB could task OP to develop proposals for providing guidance to all components within the Directorates.

14. Provide a system for the annual review of supergrade personnel in Personal Rank Assignments, to effect corrective actions when needed.

15. Develop procedures to handle potential surplus cases, including the following elements: counseling, consideration for re-training and/or reassignment, and notification of surplus status.

16. Establish a uniform grievance procedure within the Directorate.

14. OP to provide periodic tabulations to the SPRB for review. The Board will consider corrective actions should such be required.

15. All Career Sub-Groups should examine, under the supervision of SPRB, their procedures for identifying and handling surplus personnel to insure they are consistent with Agency regulations and policies.

16. SPRB to review current procedures in use by the Career Sub-Groups as may be necessary. The Board will direct that changes be made if necessary to insure that Agency regulations on this subject are being satisfied and that a uniform procedure exists with the Directorate.

Director of Central Intelligence

Sir:

　　　I found the results of the attached analysis
both interesting and disturbing. As you will
note, in paragraph 4, we have a plan of action
within the Directorate to try to identify the
true causes for the separations. If our plan is
successful, I would then propose to raise the
matter for consideration by the Management
Committee.

　　　　　　　　　　　　　/s/ John F. Blake

　　　　　　　　　　　　　John F. Blake

Att:　DD/M&S 74-3052

DD/M&S　7D-26　Hqs　　　　　x5454　　　　8/13/74

Distribution:
　Orig - DCI w/orig 74-3052
　　　1 - DDCI w/ cy of att.
　　　1 - ER w/cy of att.
　　　1 - M&S Subject w/cy of att.
　　　1 - M&S Chrono w/o att.
　　　1 - JFB Chrono w/o att.
OD/M&S/JFBlake:jmh:5454 (13 August 1974)

Attachment:　DD/M&S 74-3052, Memo to DD/M&S Office Directors, Subject, Voluntary
　　　　　　　Separations - GS-12 and Above, dtd 13 August 1974

DD/MGS 74-3052
13 AUG 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT   : Voluntary Separations - GS-12 and Above

    1. My staff has prepared, and I have reviewed with considerable
concern, a quantitative analysis of the 127 GS-12's and above who
voluntarily separated from the Agency during Fiscal Years 1973 and 1974.
Briefly, here are some of the facts: average grade - 12.88; average age -
35.82 years; average experience - 8.33 years. Over 25 percent were CT's,
and over 9 percent were Ph.D's. Thirty-nine of the 127 went to other
Government agencies; 48 joined private industry. Twenty-two of those
going to other Government agencies received immediate salary increases;
18 received higher salaries from private industry.

    2. These figures can give one pause to wonder, for a prima facie
case can be made that we are losing good people, if not some of our
best, just at a time when they are beginning to realize their full
potential. Though this Directorate compares most favorably in the
loss column with a little over 20 percent of the total, we still felt
the effect of a problem that warrants our attention. While not san-
guine about the prospects of an easy solution, I believe a thorough
analysis of the situation cannot help but increase our understanding
and align our perspective.

    3. Therefore, I request that you do a review of your personnel
losses during the past two fiscal years, concentrating particularly
on those in grades GS-07 through GS-14 who resigned from the Agency.
Specifically, try to isolate the reasons behind the voluntary separa-
tions and what action was or could have been taken to retain those
employees who had potential and did their job well.

-2-

4.   I plan to lead the discussion on this matter when we get together for our conference in late September. In the meantime, here are some questions I'd like you to ponder:

    a.   Would a two-grade promotion system up to GS-11 be part of a solution to the problem?

    b.   Would a more liberal approach to external training be beneficial?

    c.   How can we give more responsibility earlier to our junior officers?

    d.   Should the Directorate's Career Management Officers have a broader role in the promotions, assignments, and training of our junior officers?

    e.   Should the Office of Personnel perform periodic extensive analysis of voluntary separations of GS-09's and above to determine reasons, problem areas, and trends?

These questions regarding possible approaches to this matter are some of those that occurred to me -- you may have others. If so, please keep them in mind as we prepare to discuss the issue next month.

                                    /s/ John F. Blake

                                    John F. Blake
                                    Deputy Director
                                        for
                                Management and Services

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Distribution:
   Orig - D/OC
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      1 - LRM

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SECRET

1 8 SEP 1974

MEMORANDUM FOR: Deputy Director for Administration

25X1A   SUBJECT   : ████████ Management Conference - Agenda Items

VII.

25X1A   1. My presentation at the forthcoming conference at
████████ during the weekend of 27 September will be divided
into two parts. In the first part, I will attempt to encapsu-
late the current status of the space situation, especially in
the Headquarters area as we see it today and then sometime after
November 1975 -- the date we hope to move out of the Magazine
Building. I will make brief reference to the Building Planning
Staff and what we hope to have them accomplish once they are
manned and in operation. In addition, I will mention briefly
the major engineering projects which are either now underway
or in the planning stage.

        2. The second part of my presentation will center upon
some of the problems we are having (and will be having) in
filling our overseas slots and what we are attempting to do
about combating these problems. As an illustration of how
acute this matter is, at one time we predicted that, in 1976,
we could have found ourselves in the situation where we might
have only two or three qualified and acceptable candidates to
fill as many as ten positions within a particular grade range.
As a result, we have placed increased emphasis on additional in-
house training, cross-fertilization, and a formalized upward mobility
program. As an aside, I will be prepared to discuss the latter
program which we are about to embark upon.

        3. Copies of appropriate material on each of these
subjects are attached.

████████████████████████ 25X1A

Michael J. Malanick
Director of Logistics

2 Atts   VII
    Att 1 - Agenda Item X material
    Att 2 - Agenda Item XI material

OL 4 4722
E2, C1 By 008348
This memorandum may be re-

classified Confidential upon
removal of attachments.

SECRET

MEMORANDUM FOR: Director of Logistics

SUBJECT   : Logistics Services Division Objective
                    and Action Plans

REFERENCE   : Memo dtd 21 May 74 to OL Staff and Division
                    Chiefs fm EO/OL, subject: Action Plan
                    Reporting

1. This memorandum summarizes the results of the Logistics Services Division (LSD) FY 1974 objective to develop a system whereby LSD/OL resources expended can be accounted for and allocated to the office requesting these services and further requests specific guidance regarding the application of these results during FY 1975.

2. The subobjective of each Branch, results, and recommended implementing procedures are as follows:

    a. Space Maintenance and Facilities Branch

        (1) Develop man-hour requirements and other costs associated with support of the auditorium and presentations therein. The average cost of labor is $6.56 per man-hour, and the cost of equipment is $28.77 per hour.

        (2) To relate the cost to the individual components, it will be necessary for the requesting component to submit the requirements on a Form 2620 and for a member of the Branch to compute the man-hours and cost of services actually expended. The forms can be reviewed periodically to determine levels of service provided to the different components.

    b. Space Maintenance and Facilities Branch

        (1) Develop formula to relate man-hours of Project Officers' efforts to dollar value/square footage of completed renovations or modifications. Man-hour requirements to estimated dollar value of renovations or modifications is one man-hour to $338.

SUBJECT: Logistics Services Division Objective
           and Action Plans

      (2) To relate the cost of Project
Officers to the components requesting
services, the estimated cost of a project
would be divided by the cost factor ($338)
to determine the number of man-hours re-
quired. The man-hour cost would be added
to the cost of the project. Total cost
can be reviewed quarterly to determine
levels of service provided to the differ-
ent components.

c. Building Services Branch

      (1) Establish man-hour requirements
per ton of classified waste material
destroyed. The man-hour requirement per
pound of classified waste destroyed is
.003 man-hours. The cost per pound of
classified waste destroyed is $.05.

      (2) In order to relate cost to
components, it will be necessary to
control the distribution of burn bags.
Components would request burn bags on
a Form 1490. The forms can be reviewed
periodically to determine usage rate.

d. Building Services Branch

      (1) Develop method of correlating
man-hours to furnishings moved in moving
Agency components throughout the Metro-
politan Washington Area. The man-hour
requirements to move a safe is one
man-hour, a work station is 2 1/2 man-
hours, a piece of furniture is 1/2
man-hour, and to move a piece of
equipment is 1/2 man-hour. The average
cost per man-hour is $5.80.

SUBJECT: Logistics Services Division Objective
and Action Plans

(2) To relate the cost to the individual components, the requesting component will have to submit all requirements on a Form 2620 or 1490. A Building Services Branch (BSB) employee will be required to compute the cost of each move and note the total cost of each move. The forms can be reviewed periodically to determine costs of service provided per Directorate.

e. Building Services Branch

(1) Establish man-hour requirements per Agency employee for expendable items issued by BSB. The cost for expendable items (including man-hour requirements) per Agency employee is $56 per year.

(2) To relate the cost of expendable supplies and manpower to the individual components, the total cost can be prorated according to personnel strength.

f. Architectural Design Staff

(1) Develop formula to relate man-hours of architect's effort to dollar value/square footage of completed renovations or modifications. Man-hour requirements to estimated dollar value of renovations or modifications is one man-hour to $124.

(2) To relate the cost of architects to the components requesting services, the estimated cost of a project would be divided by the cost factor ($124) to determine the number of man-hours required. The man-hour cost would be added to the cost of the project. Total cost can be reviewed quarterly to determine levels of service provided to the different components.

SUBJECT: Logistics Services Division Objective
           and Action Plans

g. Motor Pool Branch

(1) Develop cost of providing Motor
Pool services to Agency elements including
shuttle bus service, chauffeur-driven
vehicles, U-drive-it vehicles, and new
car preparation. The maintenance cost
for vehicles is $.06 per mile for sedans
and station wagons, $.07 for light trucks
and limousines, and $.08 for buses. The
driver cost is $1.94 per mile for chauffeur
service, $.79 for bus service, and $1.39
for executive chauffeur service.

(2) To relate the cost of Motor Pool
services to individual components, samples
of passengers using the shuttle system
would be taken periodically. To relate
cost of chauffeur and U-drive-it service,
the daily chauffeur record can be reviewed
periodically to determine usage rate.

h. Mail and Courier Branch

(1) Establish man-hour requirements
and transportation costs related to
courier service. The man-hour require-
ments per piece of mail is .024 man-hours.
The cost per piece of mail is $.17.

(2) To relate the cost of mail ser-
vice to the individual components, sample
mail counts can be taken to measure the
volume of outgoing mail from an Agency
component.

3. As indicated above, it would be possible for this
office to charge customers for services rendered. It should
also be obvious from the above that to do so would require
considerable cost accounting on our part. For that reason,
we do not recommend that we go through the effort required
to establish internal cost accounting procedures unless it

SUBJECT: Logistics Services Division Objective
           and Action Plans

is, in fact, determined that on an Agency-wide basis all
offices will function on a reimbursable basis, i.e., budget
for anticipated service costs each year.

    4.   If, on the other hand, it is intended only to advise
components of such service costs in the hope that it will act
as a restraining influence, then only certain of our costs
are of such significance that they would have any meaning to
individual components.   Specifically, these costs would include
major space renovations, expendable supplies, executive chauf-
feurs, and mail services.   If it is your desire that costs be
reported in these areas for their impact effect, then we are
prepared to do so.

    5.   We request your guidance.

STATINTL

Chief, Logistics Services Division, OL

1 February 1974

MEMORANDUM FOR: Director of Logistics

SUBJECT : Management By Objectives – OL Objective 11:
Supplemental Notes on PSD Allocation of Resources

REFERENCE : Memo dtd 16 Jan 74 to D/L fr C/PSD/OL, same
subject

1. In my memorandum of 16 January I promised some further analytic
and/or clarifying notes on the report of allocation of PSD resources.
Most of the notes below are merely clarification and summary in nature,
much of which might be deduced from reviewing the tabular material.
They are arranged by Directorate. Some of the summary type data could
be incorporated with the cost data with future reports.

2. Notes:

a. Under DCI

NIO costs reflect predecessor ONE costs. Whether these
costs will change in amount because of changes in procedures
or requirements is not known. At present this work receives
the highest priority and generally has short deadlines. The
work is typeset and multicolor in nature.

The DCI accounts for only three percent of Division
resources.

b. DD/S&T

A majority of the intelligence reports for this direc-
torate are funneled through one publication branch in the
Office of Scientific Intelligence. This pleasant circum-
stance minimizes liaison problems and simplifies resolution
of occasional priority conflicts.

The DD/S&T accounts for 11 percent of Division resources,
about two-thirds of which is printing.

NPIC is by far the major user of Photography Branch
resources, accounting for 70 percent of the DD/S&T total.

SUBJECT: Management By Objectives - OL Objective 11:
Supplemental Notes on PSD Allocation of Resources

c. DD/M&S

The Office of Logistics is its own best customer, the majority of requirements being for forms printing.

Costs charged to the DD/M&S, as would be expected, are primarily for administrative and general usage items for all Agency components.

Seventeen percent of Division resources support the DD/M&S of which nearly two-thirds is printing.

Photography Branch contributes resources to all DD/M&S offices. The Office of Security and the Information Systems Analysis Staff are the largest users.

d. The DD/I is the largest consumer of PSD resources (54 percent), and OBGI accounts for almost one-fourth of the DD/I total. OBGI, through Cartography Division, provides support to all Agency components for most of the maps and graphics that appear in Agency publications. Consequently, much of the funds attributed to OBGI could be reallocated to those customers (projects) serviced by Cartography Division.

OCI accounts for 20 percent of DD/I requirements, the greater portion of which is attributed to the operation of the seventh floor plant (SPP). Seven-day, 24-hour staffing is required by OCI. Much of the work is highly classified and requires immediate production.

SPP does service other Agency components but not to a significant degree in terms of resources expended.

CRS requirements are fulfilled primarily in the MPP and Photography Branch in a 6:5 proportion. The printing is primarily from camera ready copy and black only. The Photography work consists of making negatives and prints for the files of CRS. Expenditures in support of the CRS mission account for about 15 percent of the DD/I obligations.

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The ███ accounts for one-seventh of the DD/I total. The major portion of this work is done at GPP (soon at MPP) and consists of the ████████████ which account for 90 STATSPEC

STATSPEC

percent of the ███ total.

SUBJECT: Management By Objectives - OL Objective 11:
Supplemental Notes on PSD Allocation of Resources

OER is a relatively minor DD/I user. Much of their work is of a short deadline nature and is multicolor. The OER mission seems to be burgeoning and it is anticipated that their share of PSD resources will increase.

OSR is primarily a SPP user and does not account for significant PSD resources.

OPR is a new office and is expected to account for about $50,000 - $75,000 annually.

e. DDO

This Directorate, which accounts for 14 percent of PSD resources, has proven unsusceptible to accurate cost allocation. Two factors are involved in this problem - on-going organizational changes, and a high volume of jobs from various sources processed concurrently (FIR reports). The printing work is primarily short-run duplicating and is done at GPP. DDO consumes a considerable amount of Photography Branch resources, accounting for about 27 percent of the resources of the branch.

f. Extra-Agency

Extra-Agency resource expenditures are returned to the Agency by using departments.
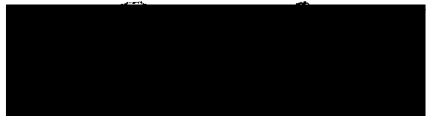
STATINTL

Acting Chief
Printing Services Division, OL

In 1974 the Office of Logistics became fully aware of the impact of fewer and fewer individuals interested and willing to serve in overseas assignments. We have found the main cause of this reluctance to be:

1. Many employees have been back from overseas several years, are out of the habit of frequent rotation and the employee, his wife and children now find it difficult to move again.

2. Many of the financial benefits of overseas duty have diminished considerably. The cost of living in many overseas areas is extremely high and has placed a greater hardship on families overseas than those remaining in the U.S. Overseas advantages such as servants and better than U.S. equivalent housing have disappeared.

3. Logistics is an older Career Service (Average age of our GS-09 is 40 and GS-12 is 44), most have children in High School and because of their children's interests find it difficult to relocate.

4. With older employees there is a resultant increase in medical problems.

5. Many of the employees in grade levels GS-07 through GS-11 initially found it necessary to have a working wife in order to purchase homes and maintain an appropriate standard of living in the Washington area. These wives now have their own careers and an overseas assignment at this time would be very disruptive.

Approved For Release 2000/06/13 : CIA-RDP81-00261R000200050005-4

2 3 AUG 1974

MEMORANDUM FOR: Director of Logistics

SUBJECT   : Upward Mobility Program for the Office of Logistics

1.   I recommend that, in establishing an Upward Mobility Program for the Office of Logistics (OL), you announce you, as the Director of Logistics (D/L), are going to provide experience and training opportunities for deserving OL careerists who are now locked in an occupational series which does not enable them to realize their full work potential. To attain this objective, you have established an OL Upward Mobility Program which will enable them to qualify for pre- or paraprofessional positions. Selection for this Program is based on an individual's interest, ability, initiative, supervisory recommendations and need for the opportunity. It is open to all OL employees regardless of whether they are general schedule, contract, GP or wage board. The Program will be administered by a Working Group (WG) with final selection by you.

2.   The ultimate goal of the Program is to establish target positions at the GS-07 level for which candidates at the GS-04 and GS-05 level can be trained. Candidates should be willing to spend a year or more in on-the-job training with some formal training included. At the time s/he enters the Program s/he will be assigned to a Division's Development Complement in a training status.

3.   The WG, comprised of three OL careerists, will do your administration. I would like to serve as coordinator/advisor. The length of service should be for approximately 18 months. Meetings will be scheduled at my discretion with the frequency depending on the volume of business. Initially, I anticipate members spending about 10 to 20 percent of their time in this assignment, or more if required. Rather than formal minutes, I suggest informal notes. Possible membership: ████████████████████████████ STATINTL
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4.   Identification of Upward Mobility Positions. To insure that your Division and Staff Chiefs are fully committed, they should be asked to identify positions to be used as Development Complement slots which can be tagged Upward Mobility. The positions selected should have the likelihood of success built in so that we do not have a high rate of failure or dropout. I anticipate an initial identification of 10 different positions. I envision a position somewhere between the clerical and semiprofessional level; for example, a GS-05 Supply Clerk Typist will be tagged Upward Mobility/Development Complement. The initial training period will be 1 year but, based on individual need, an extension or modification of the training period may be necessary. At the successful completion of the training period, the individual would be assigned to a GS-07 Supply Assistant job.

SUBJECT: Upward Mobility Program for the Office of Logistics

5. Announcement/Selection Process: Through an all-Logistics employee bulletin the Program will be announced and explained -- its motives, objectives and the vehicle for application. Vacancy Notices following the currently existing format will announce the positions. The WG will coordinate with the Division and Staff Chiefs for interviews and selection with concurrence by you. I see the application process as follows:

    a. In response to the Vacancy Notices, the candidate either applies in writing or is recommended by his supervisor. The application is accompanied by a statement from the supervisor concerning the individual's qualifications and potential. (I strongly urge that this statement be shown to the candidate.)

    b. The WG will interview the candidates and forward the names it feels are best qualified to the selecting supervisor.

    c. The selecting supervisor will interview the candidates and indicate to the WG his choice to fill the vacancy. This will be forwarded to the D/L for final decision.

    d. The D/L will notify all applicants in writing of selection or non-selection.

NOTE: I originally thought we should include the Differential Aptitude Test and certain parts of the Professional Employees Test Battery. However, I now feel that we may be subject to criticism from the blacks -- I am open on this.

6. Training Plan. Within 2 weeks after the individual starts his new assignment, the supervisor will draw up a plan to include both on-the-job training and formal training for the next 12 months.

7. Followup Interviews. At 3-month intervals, both the employee and the supervisor will meet with the WG to provide an assessment of the employee's progress and performance. If the employee has failed to live up to the expectation, s/he will be reassigned out of the Program.

8. Promotions. Trainees will be considered for promotion during their training periods based on the same criteria applicable to other OL employees. Supervisors will evaluate the overall performance and potential of trainees and submit promotion recommendations through normal administrative channels, wherever warranted.

STATINTL

OL Training Officer

VIII

ix

OJCS 1286-74
16 September 1974

MEMORANDUM FOR: Deputy Director for Administration

SUBJECT   :   Costing Services

25X1A   1.   It is suggested that the attached paper be appended
to the final draft of the ████████ Agenda. The paper dis-
cusses the management philosophy that initially led OJCS
to adopt a costing system and reviews some of our experiences
with the system. If distributed prior to the discussion of
Item 12 (Costing of DD/A Services), it may stimulate a
more active discussion.

2.   In addition to the Subject paper, I propose to
make a short presentation covering in more detail OJCS'
current costing system and the benefits and problems with
the system. The presentation would conclude with the pros
and cons of a full charge back system. This would be fol-
lowed by D/OL presenting his Office's proposed plan for
costing OL services. We believe that this will generate
a lively discussion of the Subject.

25X1A

HARRY E. FITZWATER
Director of Joint Computer Support

Attachment: a/s

Distribution:
   0 + 2 - adse
   1 - OJCS Registry
   2 - O/D/OJCS

16 September 1974

Costing Services

GENERAL

The objective of costing services is to provide the necessary information to management so that it can evaluate and control the use of those services. Only services that require management's attention either because they consume large amounts of resources and/or because they are limited and have high demand are worth costing. It should be made clear at the outset that costing systems and the various data they produce are not useful in themselves. If it is unclear what a specific costing system is to accomplish and what types of actions will be taken based on the data produced by the system, then costing should not be instituted.

In general, what are the uses and effects of costing systems? Costing permits an organization producing service(s) to gain insight into how it allocates its resources and to monitor its efficiency. In a formal way it can verify that its high priority operations are indeed getting more support than those of lesser importance and take corrective action if this is not the case. A cost system permits analysis of the costs for each major function involved in providing a service. Management attention can be concentrated on those functions consuming the most dollars. Any changes introduced can be compared with cost histories of previous methods to insure that efficiency or productivity has really increased.

When a producing organization assigns costs to the service(s) it provides, higher management is in a better position to evaluate that organization's performance. The costing system then affects the producer in that he knows this evaluation is possible and he in turn also becomes more cost conscious.

Another affect of costing is that the consumer of the service is made aware of its cost. Will a consumer take any special action or indulge in alternatives simply because he is aware of the cost of a service? The answer here depends on the impact to the user. For example, if daily three people are jointly emptying his wastebasket, the owner of the wastebasket doesn't care if there is no cost to him. However, he will lend his attention if he must provide commensurate compensation each time the service is performed. That being the case, he may perform a methods study and ask for a stripped down service of only one dumper and a periodicity of only once every three days. In this case, costing gave him sufficient information to make a judgment of whether he needed the service and to what degree.

COSTING OF OJCS SERVICES

The Office of Joint Computer Support has been experimenting with various types and levels of costing since 1968. The situation that caused this phenomenon was the rapid growth of computer usage within CIA. Today, there is close to 15 times the computing capacity in the OJCS Center as there was ten years ago. Managing a rate of growth approaching cancer is not an easy task. The combination of increasing demand by a growing number of users for an expanding array of services gave OJCS managers an extremely difficult problem in planning future growth. The long lead times required to procure and install hardware and to develop software necessarily forced decisions to be taken based on long range projections. Without a good picture of the past and present, the planning activity was a highly intuitive and painful process (and remains so to this day). Those conditions served as the impetus to OJCS to devise methods to quantify its work so that it could achieve a better perspective of its operations. A system has evolved that measures and assigns costs to each of the major services provided by OJCS. The objective of the system is to show in both dollar terms and work units how OJCS resources are allocated to the various Agency components by type of project or activity and by type of service. This data permits OJCS management to better understand the impact of change on its operations, to identify and accurately gauge those functions/services consuming high resources, and to generate a history of how components are using the resources over long periods of time. All of these factors have given some aid to the planning activity. A second use of the cost data can and should be made by the users of OJCS resources, namely to aid them in projecting and justifying their future ADP requirements rather than permitting this function to remain an exclusive OJCS activity.

DESCRIPTION OF OJCS COSTING SYSTEM

OJCS costs most of the services it provides to external users. Services costed are; professional services supplied by programmers and systems analysts, computer processing (both batch and timesharing), data preparation, punch card processing, and special data conversions done on stand-alone equipment. Services that are not costed include ADP training and some types of technical consultation.

The factors considered in calculating costs for these various services are limited to those paid for by OJCS budget dollars. They are; rental and maintenance costs of equipment, personnel costs, and the cost of all major supplies such as tapes, disks, and printer paper. Equipment that is purchased is treated in the cost system as if it were on rental. Factors not considered in the cost picture include: space, electrical power, site preparation expense, typewriters, pencils, etc.

A goal of the OJCS system is to determine the cost and amount of each type of service provided to users. To do this, it is necessary to determine a unit cost for each service. Once these unit costs are established, meaningful totals can be aggregated and made available to users of the services. Also as previously stated, summaries of this data reveal how OJCS resources are allocated to the various Agency components. Unit costs or rates are derived by dividing the total yearly costs of a service by the total yearly volume of associated work units. The total cost of a service is determined by summing all direct costs associated with the service and its share of the indirect or overhead costs. In some cases, overhead is pro-rated based on overall percentages of direct costs and in other cases the amount of overhead is apportioned as a result of inspection. Additional detail on how individual costs are determined is attached.

Operation of the cost system requires that procedures be set up for counting and recording each unit of work. Additionally, an identification scheme must be maintained so that each work unit can be related to some specific effort of a using component. Once each month this data is merged, validated, total costs are calculated, and reports are then distributed to using components and also within OJCS.

25X1A

REVIEW

The system has produced the expected information, namely a detailed picture of resources versus users. The continuity of the data has generated an historical base that is very helpful in determining growth rates of our various services, and is becoming more and more a valuable aid in future planning and also in monitoring current performance. Dissemination of the cost information is also serving to increase the cost consciousness of OJCS personnel and, in a few instances, some of the using components. In general, the system has had much more impact on OJCS than its users. As long as the OJCS services are looked at as free by users, there is not much reason for the users to control or even review their costs.

Informal preliminary observations on Upward Mobility:

1. I feel it is a pretty comprehensive review of the problem.
There is enough solid information on which to make a decision.

2. I favor a "centralized" approach for M&S, and it might be
worthwhile to double check re an Agency Upward Mobility Plan.

3. There might very well be strong practical reluctance to advertise
outside the Directorate, if the program does not work in both
directions. (DDO types can be Personnel/Security officer, but
DD/M&S comers can't be case officers).

4. The program is extremely modest, in talking about five positions,
so there should not be too much opposition from Office Directors.
Possibly we would make it eight?

5. The study spells out how the program would be administered, but
I am not clear where it would be handled? (CMO-OP). There will
be a lot of interviews and tests in the screening procedure.

6. The "Office" programs refer to entering people on duty. Is it an
internal, external or combination plan? If it includes outside
applicants, at GS-3 to -5 level, are they given the complete
battery of tests before EOD?

7. What is our next step?

25X1A

    a. Discuss with ███████████ request comments, and
find out where the Agency stands on one centralized plan.

    b. Set up a meeting with Jack Blake.

    c. Send to Office Directors for comment--with a two-week
suspense.

DD/M&S 74-2945

5 August 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT   : Upward Mobility Program for DD/M&S

1. The Deputy Director for Management and Services has reviewed the attached study on Upward Mobility, and feels it is an appropriate item for consideration at the ████████ Conference the weekend of 28-29 September 1974. It is urged that all Office Directors thoroughly staff out this package, analyze the various options, and be prepared to take a position on an upward mobility program for this Directorate. There is no requirement to submit comments or recommendations prior to the Conference, but we will be glad to distribute any papers which you feel would be useful to the participants.   25X1A

2. The Director of Personnel will be asked to lead the discussion on this agenda item.

3. Special looseleaf binders will be distributed at a later date so that the material can be appropriately filed and retained for use at the Conference.

25X1A

Executive Officer to the
Deputy Director
for Management and Services

Attachments

cc: CMO-DD/M&S
C/PS-DD/M&S

EO-DD/M&S: ████ kmg (5 Aug 74)
Distribution:
Orig - D/CO
Xcy - D/F, D/JCS, D/L, D/MS, D/P, D/S, DTR   E2 IMPDET
1 - DD/M&S Chrono w/o atts

24 July 1974

MEMORANDUM FOR: Mr. Blake

25X1A   THROUGH   :

SUBJECT   : Upward Mobility (UM)

1. As a part of their affirmative action plans to be included in Equal Employment Opportunity programs, Federal agencies are required to develop and submit plans which ensure a results-oriented UM effort. Executive Order 11478 and the EEO Act of 1972 (PL 92-261) both require training programs that are now known as, or include, UM. Though the law does not specify minimum or maximum grade levels for UM programs, the greatest opportunity for implementation lies within the range of the lower grade levels, for example, GS-07 and below.

2. The Civil Service Commission has defined UM as "a systematic management effort that focuses Federal personnel policy and practice on the development and implementation of lower level employees...who are in positions or occupational series which do not enable them to realize their full work potential." With the application of this definition, UM provides developmental opportunities to lower level employees which go beyond normal staff improvement practices. For example, the design of bridge and trainee positions which enable lower level employees to qualify for pre- or paraprofessional jobs is one means of providing UM. Affording typing and related training to a GS-02 mail clerk who lacks qualification for an identified GS-03 or GS-04 clerk typist position or providing the required training for a clerk-typist to qualify for a targeted secretarial position are other examples of UM. However, according to the CSC, training and developmental efforts designed primarily to improve current occupational performance should not be regarded as UM, nor should intern or Co-op programs, student (summer) employment, and other programs using outside recruitment.

3. Planning is, of course, critical to the success of any UM effort. It is therefore essential that each Federal Government organization follow a defined process to ensure its UM plans will yield anticipated results. (Attachment A describes a planning process recommended by the CSC with an accompanying flowchart showing the sequence of the planning steps.)

-2-

An agency's total UM effort should contain plans for the following essential program elements:

      a. identification of target positions;

      b. application of merit procedures for selection of employees into UM programs;

      c. development and delivery of counseling services;

      d. involvement of supervisors in program planning and implementation;

      e. design and delivery of required training; and

      f. development of evaluation and reporting procedures.

    4. In following the Agency's decentralized approach to UM, the M&S Directorate has two options. First, each Office Director can be required to develop and implement his own intra-Office program. (Attachments B through F are summaries of how UM programs might be established for the Offices of Logistics, Personnel (PMCD), Finance, Training and Security.) This approach can be attractive, albeit deceptively. With each Office developing its own program, many people can be involved, and the statistics, as far as sheer numbers are concerned, would be impressive. But there are significant problems inherent in this approach. Just as there would be many people involved in the programs, so would many people be involved with the programs, in planning, screening, selection, and training - far more, in fact, than required by a more centralized approach. The resultant involvement of many administrators and concommitant expenditure of monies would be felt quickly, and a possible upshot could be a mixture among the Offices of subtle resistance and genuine commitment, a situation in which inequality is introduced into what is designed as a facet of equal employment opportunity. Should such a situation arise, and it is reasonable to assume that some unevenness is inevitable in a multiple approach, the DD/M&S might find too much of his time and efforts involved in encouraging, admonishing, or even coercing recalcitrant Offices. Sanctions of some kind, however, might indeed be necessary.

    5. A second option is an M&S Directorate (inter-Office) UM program which could be initiated as follows: during the planning phase, several, e.g., five, positions are identified as target positions for which lower level employees are to be developed. To illustrate, there might be a target position in each of the Offices of Communications, Personnel, Security, Finance, and Joint Computer Support, but this is not to exclude the other Offices, and the mix could take any complexion. An announcement is then made of the program, spelling out the objectives, basic

eligibility requirements, selection process, etc. The next step would be to accept and review applications, screen and interview applicants, and make the selection. An intrinsic advantage in the Directorate approach is that, for the M&S employee in the lower grades, new career possibili- ties are opened up. A warehouse assistant who is good with figures might seek a career as an accountant with OF, or a security clerk might find she has the interest in and potential for becoming a Personnel Officer. The Directorate as a whole stands to gain, for it has a larger base from which to draw the best applicants, fewer people are involved in the administration of the program, the cost in money and manpower is less, and, due to the narrower focus, success is surer.

6. In a memorandum written to the Director of CIA's EEO program, **25X1A** ████████████ expressed concern that the Agency's decentralized approach to UM will result "in significant disadvantages to both the individual employee and to the Agency" and that "we risk the loss of employee confi- dence and cultivate the seeds of dissatisfaction." Though he expands upon his concern at some length, the details need not be recapitulated here. (See Attachment G.) What he is saying, however, is a fair reflection of the position of the CSC, which as stated:

> The development and implementation of effective Upward Mobility is a team effort. As a system, Upward Mobility is made possible only through the involvement of all facets of Agency management. <u>To ensure an effective program, agencies should allocate sufficient resources and establish a central point of coordination.</u> [emphasis mine]

25X1A Indeed, as the ████████ memo points out, our following a decentralized approach means that there is in fact no Agency program -- even though most other Government agencies have centrally planned, managed, directed and well reported programs. (Attachments H through K summarize UM at State, NIH, GAO and GSA, respectively, as examples of centralized programs.)

7. It is in the context of a centralized program that there is a third option for an M&S UM effort. The basic approach is that outlined in paragraph 5, except that the announcement of the UM program is sent to all Agency employees, and applications are taken accordingly. The selection process could be set up along the lines listed below:

    a. Issue a notice to Agency employees announcing the program, spelling out any requirements necessary, and inviting them to submit their applications.

    b. Assign a person knowledgeable of the program to interview each applicant, discussing goals, career plans, training, etc., and to do the initial screening of appli- cants, including recommendations for action outside the program.

c. Establish testing procedures for applicants (e.g.,
the Differential Aptitude tests and four sections of the
PETB, which relate to attitudes and interests as opposed to
knowledge gained through education).

d. Create a Selection Panel made up of representatives
from the Offices participating, and which would be responsible
for reviewing the applicant's Agency personnel file, test
results, etc., as well as interviewing applicants prior to
final selection.

This approach has two principles to recommend it: it vastly enlarges
the base from which candidates for UM may be drawn, and it may well
serve to enhance the Directorate's role as a leader in the overall EEO
efforts of the Agency. In time, perhaps, this approach could be the
precursor of an effective Agency UM program.

8. It is recommended, therefore, that you approve an M&S Directorate
UM program that is open to eligible candidates on an Agency-wide basis.
By taking this action, an effective, results-oriented UM program may be
launched, to the mutual benefit of the individual employee, the
Directorate, and the Agency.

25X1A

Attachments
  A through K

Attachment 1 to FPM Ltr. No. 713-27 (1)

THE UPWARD MOBILITY PLANNING PROCESS

A fundamental precept of Upward Mobility holds that employees with potential who lack qualifications may become qualified for current or projected higher level vacancies. Successful person-position matching, therefore, requires careful planning to ensure a results-oriented program -- one which can be productive for both employee and manager.

The attached Upward Mobility Program Planning Chart outlines the process to be followed and the products which result from each planning phase. It is constructed to show the <u>sequence</u> of the essential steps to be taken as well as the continuing cycle of feedback for plan refinement.

IDENTIFYING TARGET POSITIONS

Critical to the preparation of the plan is the identification of appropriate target positions for which lower level employees will be developed. To arrive at the number and kinds of target jobs, agencies should:

> FIRST - analyze current and projected staffing needs to determine the number and series of anticipated position vacancies and estimate when those vacancies need to be filled. (FPM 332, Appendix M - Guide to Short-Range Manpower Planning)

> SECOND - review current employee skills to determine which of these position vacancies may be filled through merit promotion procedures by persons who presently meet qualification standards. (FPM 713, Subchapter 2 and Appendix A - Maximum Utilization of Skills and Training)

> THIRD - determine which current and projected position vacancies are appropriate for Upward Mobility purposes; review existing technical and professional positions to determine those which may be restructured for Upward Mobility purposes. Designate these as <u>target jobs</u>. (Handbook X113 and Personnel Management Series Pamphlet #26 - Upward Mobility Through Job Restructuring)

ASSESSING EMPLOYEE POTENTIAL

As a prerequisite to employee participation in an Upward Mobility program, the potential of eligible employees should be determined. Potential is defined as the ability (including desire) to acquire and use skills and knowledges needed to successfully perform higher level work, specifically in those kinds of occupations and at grade levels which could or will be targets for upwardly mobile employees.

The first step in the assessment of employee potential is to identify
the skills, knowledges and abilities required for successful performance
in the target job. These may be identified through job analysis.
Agencies should define the target job in terms of specific tasks to be
performed and establish those skills, knowledges, and abilities required
to perform each task. With data obtained from this analysis, employee
potential for the target jobs may then be measured by such tools as:

    (1)   performance ratings which show transferability of related know-
         ledges, skills and abilities;

    (2)   self-rating instruments which show employee motivation to
         assume more complex tasks and greater responsibilities;

    (3)   tests and interviews which measure likelihood of success in
         meeting target job requirements. (See FPM Letter 335-10,
         Revised Intructions for Use of Written Tests in Promotion
         and Internal Placement.)

In all cases, employee potential must be identified through merit prin-
ciples. (FPM Supplement 335-1, Evaluation of Employees for Promotion
and Internal Placement.)

To complete the planning process, agencies should follow the steps
outlined in the attached Upward Mobility Planning Chart.

TRAINING FOR UPWARD MOBILITY

In developing training plans in support of Upward Mobility programs,
agencies must ensure that any training is related to the performance
of official duties in a position commensurate with the employee's
potential. All training programs called for in the EEO Act fall within
the bounds of Chapter 41 of Title 5, United States Code (formerly the
Government Employees Training Act), if the particular agency is covered
by that chapter. Congress fully anticipated that the law would be used
to fund training for advancement as well as for the performance of an
employee's current official duties. The only restrictions on training
for advancement in Chapter 41 are (1) the prohibition on training for
an academic degree in order to qualify for a position for which the
degree is a basic requirement and (2) the prohibition on training an
employee in a non-Government facility for the purpose of filling a
position by promotion if there is in the agency concerned another
employee of equal ability and suitability who is fully qualified and
available.

Other pertinent requirements of particular significance which affect
training in support of Upward Mobility programs are the following:

Attachment 1 to FPM Ltr. No. 713-27 (3)

o When agency employees are trained at agency expense, the train-
ing must be to meet demonstrated agency needs for trained man-
power and be utilized by the agency.

o All training must be related to current or future duties within
the employing agency. Training for possible vacancies in other
agencies is not authorized.

o An agency must use established merit promotion procedures in
selecting employees for Upward Mobility training given primarily
to prepare trainees for advancement and which is required to
qualify for promotion or for reassignment to a position with
known promotion potential.

For a more detailed statement, designed to equip agency managers, train-
ing specialists, EEO staffs, and others with a working knowledge of the
purpose of Upward Mobility training and the requirements of law and
regulation which have a particular bearing on this kind of training,
see "Training in Support of Upward Mobility Programs" (Attachment to
CSC Bulletin 410-83). That statement is in harmony with policies on
training appearing in Chapter 410 of the Federal Personnel Manual.

Upward Mobility Program Planning

Continuous Employee Participation in the Development and Operation of the Program

Pre-Planning Phase

1 - Identify Manpower Needs
2 - Assess Present Skills

IN ORDER TO:

A - Establish Objectives
B - Develop Tentative Plan
C - Gain Top Level Support

REFINE PLAN

Primary Development Phase

IDENTIFY TARGET JOBS:

1 - Conduct Organizational Analysis
2 - Conduct Job Analysis

IN ORDER TO:

A - Restructure Jobs
B - Establish Job Standards
C - Develop Career Ladders and Lattices
D - Write New Job Descriptions

DETERMINE IF CSC TRAINING AGREEMENT NECESSARY

Secondary Development Phase

I – DESIGN SELECTION COMPONENT:

1 - Determine Job Elements of Target Positions
2 - Establish Minimum Knowledges, Skills and Abilities
3 - Establish Administrative Criteria

IN ORDER TO:

A - Design Selection System
B - Design Selection Instruments
C - Design Placement System

II – DESIGN TRAINING COMPONENT:

1 - Set Training Objectives to Meet Qualification Requirements of Target Positions
2 - Develop Training Content and Approaches
3 - Establish Process for Assessing Level of Trainee Knowledges, Skills and Abilities
4 - Identify Training Resources
5 - Design Process for Assessing and Evaluating Trainee Progress

IN ORDER TO:

A - Design Individualized Training Plans
B - Design Orientation and In-House Training
C - Monitor and Evaluate Trainee Progress

III – DESIGN CAREER COUNSELING COMPONENT:

Determine Counseling and Supportive Services Needed

IN ORDER TO:

Design Career Counseling Delivery System

Final Development Phase

1 - Negotiate Training Agreement with CSC, if Necessary
2 - Develop Administrative Process
3 - Develop Program Monitoring and Evaluation System

IN ORDER TO:

A - Delegate Authority and Assign Responsibility
B - Prepare Goals and Timetables
C - Develop Budget
D - Prepare Public Relations, Directives, etc.

IMPLEMENT PROGRAM

MODIFY PROGRAM

Continuous Monitoring and Evaluation

KEY REFERENCE:

FPM 332 App ... - Guide to Short Range Manpower ...
FPM 713 Subchapter 2 and Appendix A - Maximum Distribution of Skills and Training
FPM 713 Appendix D - Outline of Action Areas and Suggested Elements for Inclusion in Agency Plans of Action to Implement E.O. 11478

FPM 335 and First Supplement 335-1 - Evaluation of Employees for Promotion and Internal Placement
FPM 410 - Training
Guidelines for Agency Internal Evaluation of EEO Programs - CSC Personnel Management Series Pamphlet #24 (GPO ...)

Office of Logistics
Upward Mobility Program

I. Enter on Duty

The Office of Logistics offers three different types of
positions for entering on duty at the GS-04 or WG-04 level.
Under the upward mobility program the individual could enter
as:

a. Courier - GS-04 assigned to Headquarters
b. Warehouse Assistant - WG-04, ███████████   25X1A
c. Supply Clerk - GS-04, ███████████   25X1A

These positions would allow the individual to become
familiar with Agency organization and the elementary rules
of supply.

II. Assignment: Supply Assistant, GS-05

These positions are located at the ██████████ The
individual could move into the GS-06 level by assuming   25X1A
supervisory responsibilities.

III. Assignment: Supply Assistant, GS-06 and GS-07

There are three positions which the Supply Assistant,
25X1A   GS-05, could move into either at Headquarters or the█████   25X1A

IV. Note

At this juncture in the individual's career, the Office of
Logistics offers two routes leading to professional positions.
One is the Logistics Officer category and the other is the Supply
Officer.

V. Assignments

Logistics	Supply
a. Logistics Asst. GS-07 in a DDO Area Division or overseas.	Supply Asst, GS-07 in a Hqs component or overseas.
b. Logistics Asst, GS-09 in a DDO Area Div, a Hqs component, or overseas.	Supply Asst, GS-09 in a Hqs component, the Supply Division, or overseas.

c. Logistics Officer, GS-11 in a
    DDO Area Div, Hqs component,
    or overseas.

Supply Officer, GS-11
in a Hqs component or
the Supply Division.

d. Logistics Officer, GS-12 in a
    DDO Area Div, a Hqs component,
    or overseas.

Supply Officer, GS-12 in
a Hqs component or Supply
Division.

VI. General

The position descriptions used for this exercise were selected
at random and would not necessarily be the exact position the indi-
vidual would be placed in. The objective was to show the "type"
of positions that would lend themselves to an upward mobility con-
cept. There are many logistics and supply positions throughout
the Agency that could be used in such a program.

Office of Personnel (PMCD)
Upward Mobility Program

I.   Clerk Typist, GS-05

All training in this position would be done on-the-job.

II. Position Management Asst, GS-07

The incumbent should take the Position Management Orientation
Course which is one week in duration. All other training
would be on-the-job oriented.

III. Position Management Asst, GS-09

A. The incumbent should take the Manpower Management
Institute Course called Basic Principles and Techniques
of Position Classification which is a one week course.

B. After working in the position for three months the
individual should take the Civil Service Commission
course Advanced Position Classification.

C. The Department of Agriculture course Position Management
and Classification.

IV. Position Management Officer, GS-11

Incumbent should take the CSC course Management Analysis and
Review.

Office of Finance
Upward Mobility Program

I.   There are two routes in Finance which lend themselves to upward
      mobility. An employee could enter on duty at the GS-03 or GS-04
      level in payroll and over a period of time work up to the GS-09
      level. The training needed to go up the work ladder in payroll
      could all be done on-the-job.

II.   Another possible route for advancement would be to enter the
      employee on duty at the GS-03 or GS-04 level in payroll and upon
      reaching the GS-06 level, transfer to the Certification and
      Liaison Division to a GS-07 position. Here the employee could
      serve a tour of duty in the travel section and a tour of duty
      in auditing vouchers.

III. Upon completion of the assignments in C&L, the employee could
      then be transferred to a Budget & Finance position in an Area
      Division of the DDO at the GS-07 level. In an Area Division
      the employee could progress to the GS-09 and the GS-11 levels.
      Before an employee would be considered for a DDO assignment,
      OF would expect the individual to have shown an interest in the
      field of accounting to the point of having acquired an AA degree
      in accounting. The assignments in payroll and C&L would allow
      the employee ample time to acquire an AA degree before he or she
      came into the zone of consideration for a DDO assignment.

Office of Training
Upward Mobility Program

I.   The Training Assistant occupational series in OTR appears to
      lend itself to an upward mobility program. The present staffing
      complement reflects Training Assistant positions at the GS-06,
      -07, and -09 levels.

II.   An individual could enter on duty at the GS-04 or GS-05 level and
      be slotted in one of the GS-06 positions. Typing is required
      in these positions and other than that skill, all other training
      could be done on-the-job.

III. Each school or faculty in OTR has Training Assistant positions.
      The duties and responsibilities vary with the different types
      of courses given.

Office of Security
Upward Mobility Program

I. <u>Enter on Duty</u>

The individual could enter as a GS-04 or GS-05 Security
Clerk in the Security Records Division, Indices Section. The
positions in the Section are at the GS-04, -05, -06, and -07
levels.

II. <u>Assignments</u>

After reaching the GS-07 level in the Indices Section,
an individual could follow one of two career paths in Security.

#1 - Case Analysis Branch, Security Research Analyst.
The positions in this Branch are at the GS-09 level and could
lead to a GS-11. Upon reaching the GS-11 level the individual
could be transferred to the Clearance Division, Staff and
Operations Branch, Personnel Security Officer. These positions
are at the GS-12 and GS-13 levels.

#2 - Physical Security Division, Security Duty Officer
Section. Here the individual would become a Physical Security
Officer. The positions in the Section are at the GS-09 and
GS-11 levels. After reaching the GS-11 level the individual
could be transferred to a field office as a Junior Investigator.
Positions in the field provide growth potential up to the GS-14
level.

III. <u>Note</u>

The above proposal does not preclude the interchanging of
assignments (for example going from a position in Clearance
Division to Physical Security Division and vice versa). This
plan is only a proposal for upward mobility.

18 June 1974

MEMORANDUM FOR: Director, EEO

SUBJECT: Upward Mobility Program Planning

Tom,

1. The longer I work on the problem of developing a DDO/Services Staff upward mobility training program, the more I am convinced that the Agency's decentralized approach to such planning results in significant disadvantages to both the individual employee and to the Agency; the longer we postpone the development of an overall Agency level program, the more I am concerned that we risk the loss of employee confidence and cultivate the seeds of dissatisfaction. I shall continue to develop a Services Staff program but I urge that you consider the following:

a. For the employee, the Agency decision to decentralize such planning to the Directorates, and within the Directorates to the Offices/Divisions, introduces a significant degree of inequality into the basic design of what is intended as an equal opportunity program. Our present approach restricts the scope of any upward mobility program to the capability of the sponsoring component to provide opportunities and relies solely on component initiative; this results in either limited, or zero programs in most components. Our decentralized approach restricts an employee's opportunity for participation in an upward mobility program to the component in which he serves; this results in greater opportunities for some than for others, and for no opportunity for most. Unless an individual's potential coincides with the general nature of his assigned component's activities, and unless his component has an upward mobility program, his chances for upward mobility development are quite limited.

b. For the Agency, our present approach does
not represent the most effective use of our re-
sources. If each of our major components individually
established upward mobility programs, the number of
positions involved would be far in excess of what
other agencies have invested in such programs, and
yet, presented incrementally by sponsoring component,
would look minute to the employees of the individual
components. In all probability, most components
will fail to establish programs, and most employees
are likely to be disillusioned. Additionally, our
decentralized approach means that there is no Agency
program, a fact that denies us the public relations
benefits in dealing with the CSC and the OMB enjoyed
by State, NIH, Treasury and other departments and
agencies almost all of whom have centrally planned,
managed, directed, and well reported programs (see
attachments).

2. What appears most misunderstood about upward
mobility is the difference between upward mobility as
a philosophy of management and upward mobility as a
formal program.

a. As a philosophy of management, upward
mobility is for everyone; its application results
in an environment in which management promotes the
general welfare of its employees through career
systems, counseling, competitive evaluation and
promotion, training, and informative communications,
and in which the employee is assured of management's
support in his individual efforts to improve his
skills, of management's commitment to keep him in-
formed on job opportunities, and of management's
willingness to allow individual employees to move
laterally within the organization in the pursuit
of assignments of greater interest. Although we have
a significant degree of the philosophy of upward
mobility in our present personnel management prac-
tices, viz. the Off-Campus Educational Program, the
Vacancy Notice System, etc., our commitment to all
it represents is neither full nor universal.

b. As a formal program, upward mobility is not
for everyone; in implementing Executive Order 11478,
which by law requires upward mobility programs, the

Civil Service Commission has noted that "while the law did not specify any minimum or maximum grade levels for upward mobility efforts, generally the greatest opportunity for impact is at the lower grade levels. Therefore it is anticipated that most Agency programs will be dealing with employees at the GS-07 (or equivalent) levels and below." As a formal program upward mobility is not intended to promote the general welfare of all employees but the specific welfare of lower graded employees who have potential for advancement; it is intended to provide these individuals with maximum feasible opportunity to enhance their skills in order to qualify for higher graded assignment. What is also misunderstood about upward mobility training programs is that it is not only having a large number of lower graded <u>employees</u> which makes a component a good candidate for an <u>upward</u> mobility program, it is having a reasonable number of target <u>positions</u> for which lower graded individuals can be trained. You need to identify the positions for which you are training those selected for the program and you need to be able to assign the individuals to these positions when their training is completed. As Civil Service Commission Chairman Hampton has noted "to train employees without being able to give them oppor- tunities to utilize their training would be unwise; to provide career counseling which is not geared to realistic opportunities would be harmful; and to pub- licize an upward mobility program without providing genuine opportunities for advancement would have a negative effect." Our decentralized approach tends to head us in the latter direction.

3. In my judgment, a better approach to our upward mobility program planning would be <u>at the Agency level</u> to:

    a. Identify those categories of tasks for which the likelihood of success for upward mobility train- ing is the greatest. For example, it is probable that more candidates for budget/finance, personnel, or logistics type positions could be successfully trained than candidates for science-related positions.

    b. In collaboration with component managers and supervisors whose support, personal commitment and involvement is essential to the success of any upward

mobility program, determine the number and the nature of positions which Agency management believes should be filled through an upward mobility program rather than through the normal recruitment program.

    c. Establish criteria for eligibility and competitive selection procedures.

    d. Announce the program in an Agency-wide notice and solicit applications from all interested employees at grades through GS-07.

From a review of other departmental programs the above approach appears to be general practice; although most target positions seem to be in the area of support services, the State Department identifies Foreign Service Reserve officer positions, NIH includes professional scientific officer positions, and other agencies target editorial, library, and related professions/positions (see attachments).

    4. The scope and nature of the Agency's activities seem to offer a full menu of upward mobility possibilities, and the staffing pattern of some components suggests a fertile field for productive programs. Surely we have a large number of bright young employees who could be trained for target positions in O/C, an office with an FY 73 on-duty strength of ▨ including zero (0) black STATINTL professionals and only nine (9) women professionals; surely we have lower graded employees with good aptitude in mathematics who could be trained for target positions STATINTL in O/F, an office with an FY 73 on-duty strength of ▨ including only one black professional and forty-three (43) women professionals. If the State Department can find and train ten (10) lower level employees per year as Foreign Service Reserve officers, we should be able to fill some part of our twenty (20) PTP positions through an upward mobility mechanism. ADP, personnel, logistics, and records management are just a few of the many other areas which could provide similar target positions.

    5. Upward mobility is a concept which has stirred the inner yearnings and aspirations of our lower level employees: it is a concept to which the Agency has pledged

its full support. Our decentralized program however tends
to discriminate against many employees and can lead to
widespread disappointment and dissatisfaction. I strongly
urge that you discuss with the Director the possibility of
a centrally planned and managed program and solicit his
approval for the establishment of an ad hoc Advisory Group
to study the matter and make appropriate recommendations.

STATINTL

DDO/Services Staff

Attachments
  Other Government
  Upward Mobility Programs

Administrative - Internal Use Only

Upward Mobility:

State's "MUSTANG" Program

1. The "Mustang" plan designed by the Department of State is a
continuing in-service internship program to identify, select, and
train exceptional and talented employees below the officer level.
Those selected, after successful completion of on-the-job training
and other instruction, are appointed as Reserve Officers and ultimately
have opportunities for assignment and development as either Foreign
Affairs specialists or Foreign Service Officers.

2. Basic Eligibility Requirements

The "Mustang" program is open to Civil Service employees in
grades GS-1 through 8 and Foreign Service staff employees in classes
10 through 6 who are at least 21 years of age and who have at least
2 years of service with the Department. Qualified employees who want
to become candidates are required to take the Federal Service Entrance
Examination, unless they have taken it previously. No minimum passing
score is set. The candidate's performance on the examination is con-
sidered along with the other factors listed in evaluating his or her
aptitude and potential.

3. Selection of Candidates

Candidates are selected for the "Mustang" program on the basis
of projected staffing needs in position categories or functional spec-
ialties which provide appropriate opportunities for advancement and in
which vacancies at junior officer levels either exist or are anticipated.
There are periodic announcements of opportunities for "Mustang" candi-
date openings in particular categories. Candidates forward their
applications to the Office of Personnel (PER/CA) stating the functions
in which they prefer to be trained. Procedures for applying are spelled
out in subsequent announcements.

4. Selection Panel

PER/CA convenes a selection panel which includes representatives
in the appropriate functional speciality. The panel reviews the educa-
tion, experience, and performance of applicants in the light of the list

of functional openings to determine those who are qualified for oral examination. Qualifications considered in this review include

    a. potential to assume broader responsibilities;

    b. quality of overall performance;

    c. demonstrated abilities related to the functions for which candidates are being examined; and

    d. ability to work with people harmoniously.

5. Oral Examination

    For successful candidates serving in the Department, the panel holds an oral examination as soon as possible. Candidates at overseas posts normally receive the oral examination when in the Department on home leave or following the completion of their overseas assignments. Arrangements may be made to administer the oral examination in the field when a candidate's return is unusually delayed.

    The oral examination will be used to measure

    a. the candidate's potential for service in a particular function;

    b. his approach to problem-solving; and

    c. his potential for advancement as an officer.

    The selection panel makes final selections of candidates by evaluating basic qualifications and experience, along with the results of the Federal Service Entrance Examination and the oral examination.

    Candidates selected are normally assigned to a central comple-ment in Personnel for 6 to 12 months before placement in an officer category, depending on the amount of training needed. The Chief of Career Counseling and Assignments, or his designee, oversees the selec-tion, training, counseling, and onward assignments of "Mustang" candidates.

6. Status at Beginning of Training

    If an employee is in grade GS-4 or below at the time of his selection for the "Mustang" program, he is promoted to GS-5 when his training begins. If an employee is in grade GS-5 at the time of his selection, he is promoted to GS-6 at the time his training begins, if he has served one year at the GS-5 level. Otherwise, he is promoted to GS-6 during training upon completion of one year at the GS-5 level.

Staff employees with 2 years service are likely to be in class FSS-8 because of the semi-automatic promotion policy for FSS employees from FSS-10 to 9 and from FSS-9 to 8. If an FSS employee is below class 8 at the time of selection, he is promoted to FSS-8 at the beginning of training. Employees selected from other classes remain in that class when they enter training.

7. Training

Training is tailored to the individual needs of candidates and is administered in cooperation with the Foreign Service Institute. The content of the training varies according to the staffing needs of the Department and to the knowledge, skills, and abilities program participants bring with them. Typically, it includes on-the-job assignments supplemented by related study at FSI, CSC, or local institutions, and by special reports, seminars, and individual counseling. Participants may take the required courses before or during the on-the-job work assignments or after-hours, depending upon the nature and length of the course. Some staff employees are able to begin on-the-job training at the post and complete formal courses in the Department later. These arrangements vary with the qualifications and experience of the participant. Career Counseling and Assignments plan and monitor each participant's training, evaluating his progress on a quarterly basis.

8. Status Upon Completion of Training

Upon satisfactory completion of training, participants in grades GS-5 or 6 and in class FSS-8 are appointed as FSR-8's for a 5-year term. Those in grades GS-7 or 8 and in FSS-7 or 6 are appointed as FSR-7's for a 5-year term. Each employee will have reemployment rights to his former status and grade during the period of his FSR appointment.

Those trained for functions normally designed for FSO's become eligible for consideration for lateral entry as FSO's after 4 years serve at the officer level if under 31, or 3 years service if over 31. Those trained for FAS functions become eligible for consideration for FAS appointments after 3 years service at an officer level. For purposes of this program, all service from the beginning of training qualify as officer-level service for either FSO or FAS appointment.

9. Special Conversion Arrangements

The "Mustang" program, as outlined, is limited and highly selective. It is supplemented by special procedures that provide a career ladder to permanent officer-rank for exceptionally qualified persons in the following three categories:

a. Foreign Service Staff Personnel of Class 5 and Above Who Do Not Hold Officer-Level Positions.

Many employees in this category are not now eligible for appointments as FSO or FAS even though they may have in the past been trained for and held such officer-level positions as Assistant Personnel Officer, Assistant General Services Officer, and Consular Officer. Since many positions of this type, which served as channels of advancement, were abolished in recent reductions, talented staff support employees have had diminished opportunities for advancement to officer-rank.

b. Couriers.

Normally given appointments as Reserve officers for 3 years only, couriers frequently have the education, experience, or ability to serve usefully in officer-level positions in other fields when their appointments expire.

c. Communications and Records Personnel.

Normally recruited below the officer level, with satisfactory performance, Communications and Records personnel are promoted to levels where they become eligible for officer status in the Foreign Affairs Specialist Corps.

10. Other Opportunities for Non-Officer Personnel

To provide self-development opportunities for all lower-level employees, the Department continues to review employee records to identify those who may be stalled in their upward mobility, and who can be helped with training to qualify for new positions at higher grades. Supervisors at all levels are urged to refer promising junior employees to the Career Counseling and Assignment Division (PER/CA) and to make full use of existing tools to upgrade skills for higher-level positions. Some employees who benefit from this assistance may later qualify for the "Mustang" program.

11. Evaluation

The "Mustang" program began in May 1972 at which time 65 employees were in competition for the 10 openings in the program. Although only 10 were selected, the other 55 applicants were not neglected. The Career Counseling and Assignments Officer talked with them, summarizing the results of oral and written examinations, identifying areas of weakness, and recommending specific steps which would either improve their chances to qualify for Mustang in the future or which would help them achieve other occupational goals. One measure of the success of "Mustang" is the fact that, for the second cycle completed in June 1974, there were 140 applicants.

Upward Mobility: NIH's Stride Program

1. Project Stride at the National Institutes of Health, HEW, Bethesda, Maryland, is a career development program which combines on-the-job training (OJT) in a technician or para-professional position with three to four courses a semester of college study. The training period lasts up to three years. Placement in a professional position at NIH is the goal of the Stride program. The program is open to employees in jobs which dead-end below the GS-9 level. More than 90 such employees have thus far been selected to participate in the program.

Turning 90 trainees into professionals demands much time of three NIH Employee Development Specialists. To implement the OJT portion of Stride, time has been spent creating technician positions, formulating planning and control techniques to secure the value of the OJT, and periodically weighing the actual progress of trainees. The arrangements for academic instruction for the trainees have involved selection of a university, contract nego- tiations, post-contract communication with the colleges, designing planning techniques to match coursework to the target job, and evaluating the students' and the program's progress. The three administrators, who are not assigned full time to Stride, have found novel ways of performing these tasks.

2. Use of Technician Positions

Since the NIH program includes twenty hours or more per week of OJT, a technician position had to be found for every target professional position. In several cases, technician positions were ready made. For example, to prepare trainees for Psychologist positions, NIH was able to use the Psychology Technician series 181. For several other occupations the 301 series was used. Finally, several were designated in the same series as that of the target occupation. Thus, several trainees occupy GS-633 physical therapist assistant positions to prepare for GS-633 physical therapist professional vacancies. Through these assistant positions, Stride trainees obtain OJT.

3. On-the-Job Training.

Project Stride is an attempt to merge, in a meaningful manner, academic education with OJT. In theory, the academic education and OJT experience are mutually supportive and motivating to the trainee. What is unique about the program are the OJT work projects for academic credit.

The method of career development planning outlined for Stride supervisors in their NIH handbook is "careful analysis of the expected outcome of the training experience; in the case of Stride, competence of a professional caliber in the chosen occupational area. The analysis should begin by looking at the target occupation to identify its functional elements. The outcome should be a list of tasks or job elements which can be placed in a hierarchy of increasing complexity. The list of tasks should in its simplest form identify what the individual is expected to do and at what level of success or output he is expected to do it. The development of the training plan then becomes a matter of projecting over a three-year period how a trainee's on-job experience will be organized so that the trainee is introduced to concepts and tasks in the order in which they appear in the hierarchy. To be useful in evaluating the trainee's program in acquiring professional competence, the identified job elements must be measurable. Groups of job elements of a related nature are then identified as bench marks for progress evaluation."

In Stride, OJT projects are specifically designed by the supervisor and trainee to obtain course credit from American University. To do so, they have to be approved by the department of the university in whose area the project would be credited. Furthermore, a minimum of 5 hours per work week must be exclusively devoted to the project. A professor provides guidance during the project, and at its conclusion, grades it. Thus, a rather novel means of merging OJT and academic training is accomplished.

The NIH administrative team monitors the work assignments of Stride trainees through three methods. The first is informal, continual conversations with trainees and their supervisors. More formally, desk audits are performed as each trainee is considered for an annual promotion. Such an audit can uncover cases where the supervisor had failed to assign a trainee progressively more responsible duties. Other formal feedback methods are under development.

4. Matching Courses to Jobs

Presently, course selection is largely a matter between the student and the faculty advisor, within the bounds of requirements of the Department in which the student is majoring (the major having been chosen on the basis of job relatedness). Usually, the student also consults the supervisor when choosing electives. However, faculty advisors have had difficulty relating curriculum to target occupations, especially when the target is an administrative profession such as Grants Management. Furthermore, there is a greater emphasis in HEW on assuring that upward mobility training does prepare trainees for target positions. Therefore, the NIH Employee Development Specialists plan to monitor course selection more closely to keep them related to the duties of the target position.

6. Academic Performance

A primary tool of evaluation is the grade, used to determined who needs assistance, and to evaluate the program as a whole, in terms of such things as the correlation between selection ratings and academic success. Although trainees are enrolled in classes held on AU's campus and open to regular AU students, the grades of the first 46 have been quite good. Thirteen are doing B work or better, 28 are doing C+ level work, and only 5 are below 2.0. Thus, based on grades, Stride appears to be a success thus far.

Upward Mobility: GAO

1. A Comptroller General-appointed task force has produced a broad career advancement program for lower level employees in GAO. Three new positions have been established - management analyst assistant, claims adjudicator assistant, and management analyst trainee - to serve as bridges to higher level jobs for those GAO employees with potential who are in dead-ended clerical and technical positions. Eighty-nine developmental slots will be used from now through 1976 in training those selected. To administer the four occupationally-oriented development programs during the first year, a director for upward mobility has been appointed.

2. Career Ladder

The largest development effort focuses on the management analyst occupation, providing nonprofessional employees with a career ladder beginning at the GS-4 management analyst assistant level through the GS-6 level. The GS-6 assistant position serves as a bridge to the GS-7 management analyst which has a career ladder to higher grade levels. At the GS-4 level work duties include primarily procedural audit activities such as preparing schedules and workpapers and examining and verifying a variety of source documents. Work assignments at the GS-5 level include GS-4 duties, but also involve progressively more complex tasks such as some analysis of facts, preparation of administrative reports, and participation in interviews. At the GS-6 level, duties will be similar to, although not as substantive as, those performed by the professional GS-7 auditor.

Potential program participants include all clerical, administrative, technical, and wage board employees at the GS-4 through GS-9 levels and GS-3 employees eligible for promotion to GS-4. As of May 31, 1973, GAO had 1,356 employees in these classifications and anticipates that more than enough applicants will be qualified to fill the slots allocated in the Washington, D. C. area during fiscal years 1974-76.

3. Qualifications

In addition to a high school diploma or equivalent and one year of work experience at GAO, the minimum entrance qualifications for management analyst assistant positions include:

College semester hour credit:	GS-4	GS-5	GS-6
Accounting or Management	–	3	8
Other	–	5	7
Total	–	8	15
Years of Experience:			
General (incl. at least 1 year at GAO)	1	1	1
Specialized	–	1	2

"General experience" is defined as those duties which GAO clerical, adminis-
trative, and technical employees normally perform. "Specialized experience"
is defined as those duties which management analyst assistants at the GS-4,
GS-5, and GS-6 level perform.

4. Selection

Each applicant for the program must submit an application, which
will provide the basis for evaluating the applicant's formal education,
job-related classroom training, work experience, and outside activities.
A panel of seven employees will identify and select applicants that have
the potential for successfully completing the program. The panel will be
composed of:

a. Two members of the task force that developed the
    preprofessional program. They will eventually be
    succeeded by representatives from the Upward
    Mobility Program.

b. One representative from the Office of Personnel
    Management.

c. One EEO representative.

d. One employee from the headquarters office who is
    representative of GAO's GS-4 to GS-9 employees
    and who is not a program applicant.

e. Two supervisors who will employ participants and
    who have a working knowledge of the characteristics
    the applicants need to successfully participate in
    the program.

The selection panel will judge applicants on the basis of results of
an independent test to evaluate potential, personal interviews, supervisors'
evaluations of job performance and potential for the program, work exper-
ience, formal education, job-related classroom training, honors and awards,
and outside activities. Each of these factors will be assigned a weight,
and, to be accepted, the applicant must score sufficiently high in two
factors: potential for the program and job performance and potential.
Additional points will be awarded for the other factors but applicants need
not accumulate points in formal education, classroom training, honors and
awards, and outside activities to be eligible for selection.

Four teams, each consisting of four members will conduct interviews
with each applicant. Applicants will then have an opportunity to review
and comment on the interview team's evaluation.

Each program applicant will be evaluated by his current supervisor and by a previous supervisor of the applicant's choice. The applicant will be given an opportunity to review and comment on each evaluation.

The supervisory rating has two parts - an evaluation of the applicant's potential for this program and an effectiveness appraisal. Factors in the first part include: relationships with other workers and supervisors, poise, learning, and reasoning abilities, motivation, types and quality of work performed, character and integrity, stability and adaptability, and leadership. The second part will be the applicant's last two annual effectiveness appraisals.

The selection process will be conducted in two phases. Initially, the panel will consider each applicant's job performance and potential for the program. The panel will then combine these factors with the remaining criteria to identify those who are most acceptable. Individuals who are not selected or who are not considered acceptable will be counseled by members of the selection panel and interview teams.

There will be a ranked waiting list of 10 or more qualified employees for the management analyst program who will enter the program in order of their standing on the list.

5. Placement

Through a pool arrangement, preprofessionals will be assigned to divisions and supervisors where they will receive the greatest developmental opportunities. Each program participant will be asked to indicate, in order of preference, the operating divisions in which he prefers to work. To the maximum extent possible, participants will be assigned to the divisions they prefer.

6. Training

Within 30 days after entry into the program, the participant, his supervisor, and his sponsor will develop an OJT plan which lists specific training activities to be provided and estimates the time to be spent on each activity. This plan is included in the participant's career development plan and may be modified as necessary.

Each participant in the management analyst assistant program must complete a minimum of 30 semester hours of college level courses during the 3-year program. Courses include: Principles of Accounting, Principles of Management, Math, English Composition, Logic, and Oral Communication. Participants will be given a 6-weeks adjustment period to complete their in-house training and to become familiar with their new responsibilities before they enroll in college courses.

GAO will pay all tuition costs and participants must maintain a C+ average in these courses. Participants who do not maintain that average for two successive semesters will be evaluated to determine if they should be released from the program.

Initially, each participant will be allowed to choose the accredited college or university he will attend and will be allowed flexible working hours to permit him to take required college courses.

7. Career Development Plan

Each participant, his supervisor and his management sponsor will develop a career development training plan which will include a list of developmental tasks, standards of performance, in-house training courses and a schedule of required college courses. The plan must be submitted 30 days after entry in the program and must be updated at least quarterly during the first year and semi-annually thereafter.

8. Supervision and Counseling

The selection panel will interview supervisors identified by division directors as having demonstrated past staff development and willingness to participate in the program. Those selected will be given special training on the program, the participants' career development plans, and techniques to help develop the participants' potential.

Each participant will be assigned a management sponsor who will guide, counsel, and actively assist to help ensure successful accomplishment of agreed-upon development goals. The sponsor will be a senior professional staff member and will be given special training to help him carry out his responsibilities.

The supervisor and sponsor will also be responsible for monitoring the academic progress of the participant and, when necessary, will refer the participant to other sources of help, including tutorial assistance provided by staff volunteers.

9. Performance Evaluation

The participant's progress will be evaluated quarterly during the first year and semi-annually thereafter. Promotions will be based on a positive determination that the participant has demonstrated a capability to perform the duties of the next higher grade. Most participants will be promoted after one year in grade, provided their job performances are satisfactory and they have completed the required college courses.

If the supervisor, counselor and Program Director determine that a participant is not meeting program expectations, the Director will decide whether the problem can be resolved by reassignment, supervisor-participant mediation, remedial training courses, tutoring assistance, or more intensified OJT. In order to ensure that participants are evaluated objectively, participants will be assigned to at least two different supervisors.

Upward Mobility: GSA's TAP

1. Steppingstone to a New Career

   The Training and Advancement Program (TAP) in GSA is providing the means by which employees in dead-end jobs are competitively selected and placed in new career fields. Once there, they are given concentrated training experiences (on-the-job and in the classroom) to facilitate their upward mobility. This year GSA plans to give TAP opportunities to up to 80 employees.

2. Career Fields Covered

   Trainees in TAP enter the program in one of thirty-three occupational series at grades from GS-2 to GS-9. They are trained for a target position at the next higher grade in the series, or in those series where positions are properly classified at two grade intervals, a target position at two grades higher. Among the career fields used for trainees are: accounting technician, computer aid and technician, legal assistant, archives technician, personnel technician, and statistical assistant.

3. Selection Methods

   Any career or career-conditional GSA employee may apply for TAP. To be selected, candidates must possess the necessary qualifications for the target position or possess an overall background of sufficient level and type to clearly indicate that they have the potential ability to perform successfully in the target position. In 1970 GSA negotiated a training agreement with the Civil Service Commission to allow selection of those with potential, but lacking the actual job qualifications.

   Once applications are received a three member panel picks those applicants with the best potential through a two-phase selection process. In the first phase two persons familiar with an applicant's work performance rate the applicant's ability to perform the essential general knowledges and skills required in the target position. Such general knowledges and skills may include: ability to organize work, understand instructions, skill in oral expression, and good knowledge of office procedures. The panel then decides which applicant should receive further consideration on the basis of these ratings.

   Those chosen in the first screening are then evaluated and ranked by the panel according to the following factors: performance on the job, demonstrated learning ability, and personal traits. During this phase applicants may be required to take appropriate, CSC-approved written tests. Results

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Next 14 Page(s) In Document Exempt

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DD/M&S 74-3022

MEMORANDUM FOR: Director of Communications
                 Director of Finance
                 Director of Joint Computer Support
                 Director of Logistics
                 Director of Medical Services
                 Director of Personnel
                 Director of Security   .
                 Director of Training

SUBJECT   : DD/M&S Planning Council

1. At the DD/M&S monthly meeting of 26 July 1974, there was some extended discussion on the increased need for planning in Government, in the Agency, and in the Directorate. The thought was expressed that some of the Office Directors might be given specific responsibility in this area as members of a Directorate Planning Council. It was agreed that there would have to be increased emphasis on long-term planning, this did not necessarily mean larger planning staffs in the various Offices, and the topic would be discussed at the ████████ conference in September. 25X1A

2. At the special meeting with Office Directors on 5 August 1974, the DD/M&S further discussed the concept of a planning mechanism or a Planning Council, which might possibly involve an alignment of the three major components which have particularly complex planning responsibilities-- the Offices of Logistics, Communications and Joint Computer Support. (Some of the other components, such as the Offices of Personnel, Security and Medical Services are more oriented towards people and the screening problem, which is a separate matter.)

3. For purposes of discussion and further consideration, the DD/M&S Plans Staff developed three alternative approaches to the problem:

   a. The assignment of a group of Office Directors to perform the function of the Planning Council under the chairmanship of the ADD/M&S. The three Offices that have the greatest impact upon the Directorate in this area are Communications, Joint Computer Support and Logistics. If the three Directors perform in this role, the Deputies would of necessity have increased responsibility during the period that the Council is in session, particularly in the months preceding Program Call.

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b. Another alternative would be to call upon three of the Deputy Office Directors to meet on planning. This would also be under the chairmanship of the ADD/M&S.

c. A third alternative would be to convene a group under the chairmanship of the Chief, Plans Staff, consisting of the planning officers of appropriate Offices. In this case, individuals should be selected for their substantive knowledge of the planning process rather than as representatives of the Offices. There might possibly be input from subunits in such areas as technological matters.

4. Office Directors, in an overall effort to improve the planning process, are urged to further staff out this issue and furnish their comments, suggestions, or recommendations by close of business 30 August 1974. This will then be pulled together and you will be provided with a summary prior to the ▮▮▮▮▮▮▮ conference.

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Executive Officer to the
Deputy Director
for Management and Services

cc: C/PS-DD/M&S

(conference book)

25X1A   EO-DD/M&S:▮▮▮▮:kmg (8 Aug 74)
Distribution:
  Orig - D/CO
  Xcy - Ea additional adse (D/F, D/JCS, D/L, D/MS, D/P, D/S, DTR)
   1 - DD/M&S Subject
   1 - DD/M&S Chrono
   1 - Mr. Blake's conference book
   1 - Mr. McMahon's conference book
25X1A   1 - Mr. ▮▮▮▮ conference book
   1 - Mr. ▮▮▮▮s conference book

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DD/A 74-3356

1974

MEMORANDUM FOR: Director of Personnel

SUBJECT   : DD/A Manpower Panel

Fred:

25X1A   1. You may have noted that ▮▮▮▮▮▮▮ has been asked to be the
25X1A discussion leader at the ▮▮▮▮▮ conference, along with Messrs. Kane,
Tietjen, and Rodriguez, on the topic of a DD/A Manpower Panel.

2. This is to advise that the issue, using whatever title you wish,
is an outgrowth of your memorandum of 15 August 1974 concerning the DD/A
Planning Council. In effect, there is full agreement with your point that
the DCI is giving increased attention to personnel reductions, manpower
controls, the many significant implications of PASG, as well as the con-
straints on money and personnel. It does appear to make sense that there
be a grouping of the Offices of Personnel, Security, Training and Medical
Services charged with planning responsibilities.

3. It is also obvious that there has to be a very close working
relationship between these same Offices on other problems of mutual interest.
This would include, but not be limited to, such items as processing time,
problem cases, personnel emergencies during off-duty hours, the drug abuse
program, the alcoholism program, the EEO program, and the various panels,
including the Applicant Review Panel, the Overseas Review Panel, and the
Personnel Evaluation Board.

4. I fully realize that there is a considerable amount of day-to-day
interplay at the working level between OP, OS and OMS, but would suggest
that some consideration might be given to a more formalized Panel, meeting
on a scheduled basis, with membership possibly including the appropriate
Deputy Office Directors. This is offered as food for thought, and you might

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1 - DD/A Chrono
1 - DD/A Subject w/orig of ref memo   (Planning File - 25X1A ▮▮▮▮▮ conf)
1 - D/P w/cy of Ref memo   "
1 - D/MS w/cy of ref memo   "
1 - D/S w/cy of ref memo (DD/MS 74-3145)
Orig - Adse

25X1A Distribution:
TO-DD/A ▮▮▮▮▮ Kane (20 Aug 74)

/s/ JOHN N. McMAHON

John N. McMahon
Acting Deputy Director
for
Administration

cc: D/Medical Services
    D/Security
    D/Training

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EO-DD/A:█████████kmg (29 Aug 74)
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    1 - D/S w/cy of ref memo (DD/M&S 74-3145)
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    1 - DD/A Chrono

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DD/M&S 74-3145: Memo dtd 15 Aug 74 to DD/M&S fr D/Personnel, subj: DD/M&S Plannin

3 0 AUG 1974

MEMORANDUM FOR: Acting Deputy Director for Administration

SUBJECT   : The Planning Process

REFERENCES   : (a) Multiple Adse Memo dtd 8 Aug 74 fr
                       EO-DD/M&S, subject: DD/M&S Planning
                       Council

                  (b) Memo dtd 16 Aug 74 to DD/M&S fr D/L,
                       subject: Suggested Agenda Items for
STATINTL   the ███████████Conference

        1. With respect to the increased emphasis on long-term
planning and the basic concept of a planning mechanism, this
Office envisions long-range planning (3 to 7 years ahead) as
essentially an Agency top-management function concerned with fore-
casting future situations; making estimates concerning these
situations; going through the processes of identifying issues,
requirements, and potential dangers; analyzing and evaluating the
ultimate means for reaching desired goals according to predetermined
schedules; estimating the funds and resources required to do the
work; and taking action in sufficient time to prepare for and cope
with changing conditions or contingent events. We also envision
this top-level planning as providing the policies under which the
individual offices will operate.

        2. At the risk of trying to reinvent the wheel, we would like
to propose a concept for long-range planning which would employ the
classic techniques of strategic planning and include the mechanism
and resources necessary to carry out the complete planning process.
Our main thrust being to start those who may be involved with the
planning process to begin thinking of the total concept of planning;
i.e., to conceptually have everyone operating on the same basis.
In this manner we should be able to eliminate the possibility of
such a planning effort to suffer an early demise as a staff window-
dressing function as did the Deputy Director for Support 15-Year
Planning Committee (circa 1965). To this end we shall, therefore,
address the subjects of the planning mechanism, the human and
material aspects of planning, strategic planning, and mission
analysis.

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SUBJECT: The Planning Process

3.   We shall start with the planning mechanism. As noted
in paragraph 3 of our Referent (b) submission, we feel that the
assignment of a group of Office Directors to perform as a Planning
Council under the chairmanship of the Associate Deputy Director
for Administration would appear the most effective group to deal
with broad-based aggregate planning. Although it is a valid
statistic that top-level management devotes 30 to 33 percent of
its time to planning of one kind or another with middle-level
management using between 22 and 30 percent of its time for the same
function, we believe the senior Planning Council will require a
subordinate group of planners. As a rule, high-level planning is
involved with developing planning methods and factors by which many
different situations and assumptions can be evaluated. Because of
the complex step-by-step technique required by high-level strategic
and mission planning, top management does not have sufficient time
to concentrate on precise factors in relation to specific items.
Thus, once policy formulation has been established as a result of
high-level planning, your subordinate planning group would deal
with the precise factors and specific items. This does not mean
that the subordinate group cannot participate in the early on-
stages of strategic planning. It can, if tasked to, do certain
things within certain parameters. A good example of a subordinate
planning group dealing with precise factors would be the recent
███████████████ study. Top-level planners had formulated a
policy--close the depot. The subordinate planners, in dealing with
precise factors, provided the answers as to the means. Similarly,
in support of top-level strategic planning, subordinate planners
have provided proposed options concerned with the future of the
Logistics ██████████████████ This study dealt with the precise
cost and capability factors required by the strategic planners.
We would also recommend a planning "secretariat" be established
to schedule meetings, maintain files, serve as the official recorder
for top-level and subordinate planning sessions, prepare agenda
information, and coordinate the actions and input of the subordinate
planning group where required. Considering past planning efforts
by subordinate planning groups at the office level, the secretariat
should also establish a bibliographical reference of all existing
as well as future plans at all major planning levels.

4.   We noted that the Planning Council members were drawn
from the Office of Logistics, the Office of Communications, and
the Office of Joint Computer Support as being the most complex
offices within the Directorate. However, as there is a definite

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SUBJECT: The Planning Process

relationship between planning and cooperation among management
groups and planning does have an impact on the quality of human
relationships, we propose that the Planning Council be selectively
expanded to include membership from at least two of the other
offices in the Directorate; i.e., Office of Personnel, the Office
of Security, the Office of Training, and the Office of Medical
Services. With these inclusions, we should produce more con-
structive "frictions" and preclude the possibility of opposition
by an "informal group."

5. Most planning emphasis has concentrated on the formal
organization, reporting criteria, evaluations of progress, and
the role of machines, but little attention has been paid to the
human factor, and,after all, it is people that make the plans
work. We must avoid the stereotyped preoccupation with physical
tasks and procedural matters and communicate with those who must
execute and live with the programs. Mr. Irwin T. Sanders (a
planner of note) sees many career administrators as their own
worst enemies in the planning process because they think of their
roles in terms of efficiency norms and routinized procedures,
". . .They have been taught administration as the science of
budget making, delegations of authority, and personnel management
rather than as the art of leading a human organization to respond
creatively to changing conditions." To quote planner, Mr. David W.
Ewing, ". . .Perhaps the biggest villain in strategic planning is
the leadership group that is almost-but-not-quite charismatic; over-
confident of its abilities, overenthusiastic in its sense of
mission. . .and picks subjectives that are beyond or foreign to the
abilities of those who must live with the product and do the day-
to-day work." And we must certainly avoid being hung-up on that
one.

6. Strategic planning is the specialized branch of the
planning activity which is primarily concerned with anticipating
events or contingencies, making diagnoses, and shaping appropriate
courses of action so that an organization will be in the best
position to respond effectively to contingencies. One of the
more recent examples of planners, in this case a subordinate group,
dealing with precise factors in a strategic sense was the Office
of Logistics study concerning the shortage of paper and related
products. The contingency--a real and predicted shortage which
would impact on the Agency. The study--a diagnosis which lead to
top management formulating a policy and establishing a Directorate
objective (B57801). This in turn resulted in forming a "Materiel
Resources Group" of planners to deal with specifics and keep manage-
ment advised and in a position to respond to any predicted future
situation arising from this contingency. Long-range policy

SUBJECT: The Planning Process

formulation and strategic planning are closely related. Policy
is essentially an agreement, however arrived at, by decree or
by concensus, but preferably by a meeting of minds after
examining alternatives, that is concerned with objectives of action
and the ways and means to achieve those objectives. Policy implies
an accurate forecast of needs to cope with future situations, the
capability and authority to act, and the will to act at the proper
time. Attachment 1 is a chart graphically describing the explicit
and implicit elements of policy that unify and permit its trans-
formation into a course of action. Set forth below are the basic
elements of strategic planning.

   a. Strategic Analysis: Primarily concerned with forces
of action with the term "option" denoting defined courses of
action which have been subjected to selection procedures and
judged by competent authority as suitable. In other words,
a set of studied choices open to the decision makers.

   b. Suitability: Applying several sets of criteria to
screen the options and reduce, in accordance with policy
guidance, mission responsibilities and assumptions.

   c. Feasibility: Suitable courses of action subjected
to feasibility studies to rule out those not feasible.
Feasibility is judged against the following factors:

   (1) Standards or operational requirements.

   (2) Operating environment.

   (3) Restrictions imposed by physical limitations.

   (4) Limitations of resources, i.e., funding,
personnel, skills, etc.

   Note: All factors should be appraised separately
and together.

   d. Acceptability: The courses of action judged
suitable and feasible are subjected to analytical
evaluations to provide basis for ruling out unacceptable
courses of action. There are four factors involved with
acceptability. These factors and a chart showing the
mechanism for the feedback and recycling of selection
criteria used in the process of ascertaining suitability,
feasibility, and acceptability are appended as Attachment 2.

SUBJECT: The Planning Process

Attachment 3 is a chart depicting the steps used to evaluate feasible alternatives to arrive at the judgments which provide acceptable alternatives.

7. In mission analysis, the sole task is to develop a concept of the mission in relation to the situations, events, and contingencies expected to be encountered in the future. Ergo, the preliminary planning step leading to the strategic analysis project. Basic parts of mission analysis are the factors of needs and issues. To arrive at a correct analysis it is necessary to examine (visualize) future potential situations, events, and contingencies, then diagnose the needs as a basis for delineating the issues and finally what courses of action to take.

8. The concept of strategic planning presented herein places primary emphasis on reaching agreements in a series of steps, and agreements are required at each step in the planning operation before proceeding to the next step. A brief description of these steps is provided by Attachment 4.

9. It should be noted that we have deliberately omitted systems analysis as a factor because it applies mainly to those areas where you have hardware or engineering development stages. Although systems analysis is used to support cost effectiveness evaluations, what it generally evaluates is the performance of a system or its components as opposed to its strategic effectiveness.

10. In conclusion, high-level managers and their senior planners must be able to visualize future needs, identify important issues they may face, and initiate timely and appropriate action in order to keep the risks of being caught unprepared to an absolute minimum. Competent strategic plans will furnish necessary support and act as guides to management actions. In strategic planning a high degree of diagnostic skill is required to provide the insight so necessary to perceive future situations. The application of exceptional foresight is also required to determine the constraints, the opportunities, any roadblocks, and the contingencies that may be met on the way to the desired goals. Mission analysis and strategic analysis can help to provide these requirements and should be the basis for policy agreements that will make the follow-on programming and budgeting systems an effective management instrument.

5

ADMINISTRATIVE - INTERNAL USE ONLY

SUBJECT: The Planning Process

We must avoid plowing headlong into strategic planning with
supreme confidence and find ourselves with that "almost-but-not-
quite charismatic group." In connection therewith, we believe
that there are certain pitfalls or obsessions that must be con-
sidered, and these are listed in Attachment 5. Attachment 6
provides some basic concepts for mission and strategic planning.
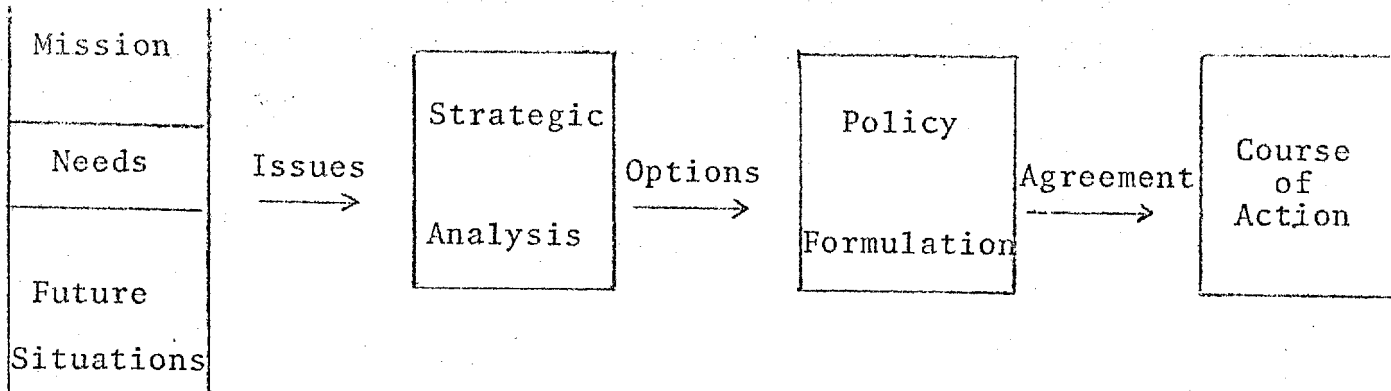

STATINTL

Michael J. Malanick
Director of Logistics

6 Atts

ADMINISTRATIVE - INTERNAL USE ONLY

EXPLICIT AND IMPLICIT ELEMENTS OF POLICY

Mission		Strategic		Policy		Course
Needs	Issues		Options		Agreement	of
Future	──⟶	Analysis	──⟶	Formulation	── ⟶	Action
Situations						

NOTE: Ends (objectives or goals), ways, and means are strategic
elements in planning. These are generally evaluated in a serial
arrangement one at a time. However, a coordinate arrangement, as
reflected by the schedule below, may be judged more suitable. To
clarify, quite often strategy is limited or determined by the means
available; in additon, the lack of an explicit policy will result in
an inclinaton to look first at the means proposed or available. In
these cases the what-have-we-got-to-do-it-with overshadows the ways
of achieving the ends or goals; i.e., the manager has no other choice;
and the objectives, the ways, and the overall strategy are determined
by the means. Given a clear choice, managers should use all of the
interactions provided by the schedule. In the preferred order, a
manager would examine: first, the ends (goals) they wish to accomplish;
next, explore the ways or methods to achieve the goals; then, assess
the means in terms of funds and other resources (human and material)
available.

ORDER

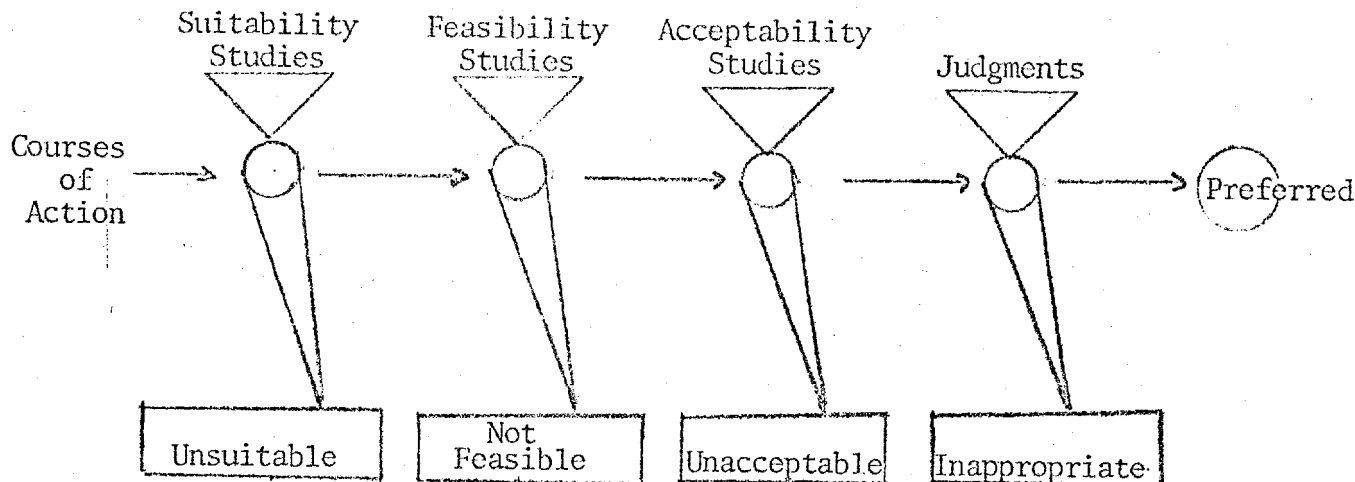|	First		Second		Third
1.	Ends	──⟶	Ways	──⟶	Means
2.	Ends	──⟶	Means	──⟶	Ways
3.	Ways	──⟶	Means	──⟶	Ends
4.	Ways	──⟶	Ends	──⟶	Means
5.	Means	──⟶	Ways	──⟶	Ends
6.	Means	──⟶	Ends	──⟶	Ways

THE FOUR ACCEPTABILITY FACTORS

1. Timing

2. Contingent Events as Forecasted

3. Performance of Proposed Means Employed in Different Ways

4. Gross Cost Estimates

NOTE: These factors are examined by varying the parameters and relating their effects in sensitivity analyses, i.e., a graphic charting of the various relationships, sensitivities, and trade-offs to aid in arriving at judgments of strategic effectiveness. In strategic analysis assumptions concerning contingent events, timing, cost, and performance are employed to a much greater extent than in systems analysis, although the techniques are similar. In strategic analysis the techniques are used to explore boundary conditions, to surface important interfaces, and to locate critical trade-offs among the factors involved. The payoff from these evaluations is a group of acceptable alternatives or options which are candidates for policy formulation and decision. Inappropriate alternatives can be shelved for future reference if any need should arise.

STEPS USED TO EVALUATE FEASIBLE ALTERNATIVES

Courses of Action → Suitability Studies → Feasibility Studies → Acceptability Studies → Judgments → Preferred

Unsuitable · Not Feasible · Unacceptable · Inappropriate

STEPS USED TO REACH AGREEMENTS
IN THE STRATEGIC PLANNING PROCESS

1. Diagnosis of needs,

2. Identification and delineation of issues,

3. Formulation of proposed courses of action to settle the issues,

4. Elimination of inappropriate proposals and retention of the suitable, the feasible, and the acceptable,

5. Preparation of the retained alternatives as options for a policy decision,

6. Agreement concerning the policy, i.e., the objectives, ways, and means of action, and

7. Transformation of the policy into a preferred course of action as the basis for program and budget planning.

PITFALLS OR OBSESSIONS TO AVOID

1. Concentration on physical facilities and programs.

2. Emphasis on external environment, i.e., technological developments, short-deadline demand forecasts, current trends, etc.

3. Blueprinting the future--The art of using planning as a device to "fix" the future. Basic assumptions and viewpoints become fixed.

4. Failure to communicate--People fear a planned change and they resist being changed by other people unless they know why.

5. Overestimating the logical appeal of plans and resulting programs and underestimating the difficulty of making changes at the operating level.

6. Ignoring the existence of the "informal group," again a lack of communications. The informal group (mainly just concerned people) has an amazing ability to resist planned changes from outside planners. The informal group generally has a conservative influence on the planners, more often than not, a braking effect. Note: Successful planners pay daily respect to the informal group power.

7. Failure to analyze the talents and abilities of people in the organization as well as material resources. This has a lot to do with appraisal of tangible abilities such as identifying the efficiency minded, those with extraordinary skills or "know-how," and those with the ability to make decisions. At the same time, an assessement should be made of values and aptitudes and characteristics that can be classified as intangible assets.

8. An inability to be flexible and depart from any segment of the "master plan" in favor of an alternative strategy.

9. Regarding policy as the way things are being accomplished, i.e., a state of affairs arrived at by muddling through and hoping for the best, not by exercise or strategic foresight.

10. Using contemporay positions as a fixed and inflexible policy guide for the future.

11. Concentration on the idealistic or extreme visionary programs not germane to the immediate and practical interests of the organization.

BASIC MANAGEMENT CONCEPTS FOR MISSION AND STRATEGIC PLANNING

1. Determination as to what kind of business we are really in and how do all of the elements relate to one another. Admittedly a mixed bag, and it will not suffice to simply say "services."

2. Employing available resources in the proper manner, especially when changing circumstances or contingencies require a change of course.

3. Considering the element of leadtime in planning for contingencies far enough ahead to allow enough time for preparation and maneuvering.

4. The identification of possible or probable roadblocks and sources of interference which could delay or preclude reaching mission goals.

5. Conceiving a conceptual framework for planning, with a platform being the concept of the mission, around which to organize and guide systematic information gathering and analysis.

6. Recognizing that a contemporary position will suffice only for short-range procedures with limited capabilities.

7. Minimizing risks of being caught unprepared by relating the mission to estimates of future situations.

8. Based on the planning process and derived from all of the analyses and studies that define the courses of action or options, to agree on an appropriate policy, transform it into a preferred course of action and march forward.

9. Considering that when we think of long-range planning, we are thinking of those plans which will cover the period from 3 (preferably 5) to 7 years downstream.

Mike:

25X1A

For your information, and Jack's too if you wish to pass it along, I am indebted to ████████████████████████████ for their contributions and advice on this paper. I had asked Frank for his written opinion as to a Directorate planning concept and his thoughtful notes on the subject gave me assurances that I was on the right track. Helen provided an elaboration on the theme of a "Secretariat" to provide coordination of and control over the total planning effort, and her suggestion to establish a bibliographical planning reference I consider most valuable.

Following is the bibliography of reference material used for special research, more assurances and graphic charts:

Ewing, David W.
"The Human Side of Planning: Tool or Tyrant?"
New York, The MacMillan Co., 1969

Mottley, Charles M.
"Strategic Planning" extracted from "Planning,
  Programming, Budgeting: A Systems Approach to
  Management" (Second Edition)
Edited By: Fremont J. Lyden and Ernest G. Miller
Chicago, Markham Publishing Co., 1973

Eccles, Henry E., Rear Admiral, USN, Ret.
"Logistics in the National Defense"
Harrisburg, Pa., The Stackpole Co., 1959

Morrisey, George L.
"Management by Objectives and Results"
Addison-Wesley Publishing Co., 1970

25X1A   ████████████████

ROUTING AND RECORD SHEET

SUBJECT: (Optional)
The Planning Process

FROM:		EXTENSION	NO.
Director of Logistics 1227 Ames Center Bldg.		2551	DATE

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Acting Deputy Director for Administration 7D18 Hqtrs. Bldg.				2 to 3: When we shortened our suspense on the "Planning Council, Mike Malanick called me to say that his staff was deeply involved in researching the planning process, and more time would be required. suggested he continue the long-term study, and the attached reflects these efforts. There might be some disagreement with aspects of this, but it does show that Logist is working the issue. I recommend
2. Mr _____ [25X1A]	8/30/74			
3. Mr. McMahon	Seen 9/17/74 Disseminate to all			
4.				a. Dissemination to all Office Directors, in standard fashion, as part of the management conference.
5.				
6.				b. Referral to the Chief, Plans Staff, for our own internal review and comments prior to the conference.
7.				
8.				
9.				
10.				Att: DD/A 74-3358
11.				
12.				
13.				
14.				
15.				

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22 August 74

25X1A

SUBJECT: Additional Comments on the DD/A Planning Council

The attached chart summarizes the preferences of the various Offices with respect to a DD/A Planning Council. The following are some comments which were included in the Office memos:

--Would be useful for DD/A to cite for each Office or Planning Council the types of questions he expects them to answer. (OJCS)

--Security's preference follows model of Senior Personnel Resources Board and Personnel Resources Committee recently established.

--Use sub-committees or sub-groups for specific tasks (OTR).

25X1A

Att.

Reactions to DD/A Planning Council

| | PREFERRED ALTERNATIVES | | |
| | A | B | C |
Office	A-DD/A + D/OL, OC & OJCS	A-DD/A + 3 Office Deputies	C/PS-DDA + Office Plans Chiefs
Logistics	X - Did not specify which Office Directors		
Medical			X
Commo			X
Finance	X - Augment with two other Direc- tors rotating.		
JCS			X
Personnel	X - D/L, D/C, & D/JCS (1 grp) D/P, D/S, D/T, & D/M in 2nd grp.		Staff support to 2 groups in Alt. A
Security		X - Council of all Office Deputies & Committee of all Plans Officers	
Training		X - Include all Office Deputies. Use C/PS-DDA as Exec. Secretary	

CONFIDENTIAL

DD/M&S 74-3141

OC-M-74-467
15 August 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DDM&S Planning Council

REFERENCE   : DDM&S 74-3022, 8 August 1974

    1. This is in response to referenced memorandum which
requests the Office of Communications comments on a concept
of establishing a DDM&S Planning Council.

25X1A

    2. The Office of Communications is already heavily
committed to planning activities related to the conduct of
our business. On an annual basis we develop those plans and
programs which are required to keep the Agency's communications
systems operating effectively and efficiently and responsive to
known and projected requirements. In addition, when we are con-
templating major system changes such as those related to ▮▮▮▮▮▮
or Secure Voice, we develop long range plans covering such
programs for ten or more years in the future. A major input
to this planning process is derived from direct contacts with
our customers and with Agency components having peripheral
interest in the plan being prepared. For example, in preparing
our Secure Voice Plan we conducted a requirements survey involv-
ing direct contacts with virtually all Headquarters components,
and we consulted with the Office of Security regarding the security
of the present red-button system, contractor maintenance and
other security-related factors, and with the Office of Logistics
regarding matters within its purview. In a similar manner, OC
provides consultation and input to planning studies being carried
out by other DDM&S Offices, such as the OJCS MAP plans and the
OL study on space requirements for environmentally sensitive
equipments. It is our feeling that the planning procedures
illustrated above have been and continue to be effective and
responsive to the needs of the individual offices. The activ-
ities of the proposed Planning Council should not duplicate or
replace these procedures which are already being effectively
employed.

CL By 010853

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SUBJECT: DDM&S Planning Council

     3. If it is determined that a Planning Council is
needed at the Directorate level to make sure that the various
Offices are not making plans which contradict or duplicate
plans of other Offices within the Directorate, it appears to
me that the DDM&S Plans Staff should be the focal point.
When and if that Staff determines that there is a lack of
coordination or cohesiveness in the plans of the various
Offices then they can call meetings of representatives of
the Offices affected. Periodic informal meetings of Plans
Officers from all the Offices could also be continued as in
recent months. I certainly do not visualize a need for
development of an overall Directorate plan which encompasses
all of the various programs going on within the Directorate.
Since we are a very diverse group of Offices, it appears that
the possibilities of overlapping plans or contradicting plans
are relatively remote.

25X1A

Director of Communications

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ADMINISTRATIVE - INTERNAL USE ONLY   1 5 AUG 1974

MEMORANDUM FOR: Executive Officer to the Deputy Director
                 for Management and Services
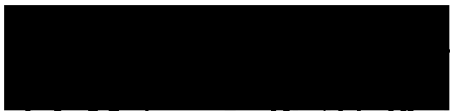
SUBJECT   : DD/M&S Planning Council

REFERENCE   : DD/M&S 74-3022 dtd 8 Aug 1974, Same Subject

     1. We believe the proposed Directorate Planning Council
has the potential for making significant contributions to the
long term planning process in areas of DDM&S concern.

     2. In our view the importance of the role of this Council
warrants the personal attention of office directors. We,
therefore, favor the reference proposal that the permanent
membership of the Council be comprised of the ADD/M&S and
the Office Directors of Communications, Joint Computer
Support and Logistics. As a suggestion we believe the
permanent membership should be augmented by perhaps two of
the directors of the remaining five offices who would serve
annual terms on a rotating basis.

     3. We believe that additional planning for operation
of the Council, frequency of meetings, approach to problems,
etc., should await formation of the Council and be subject
to the Council's direction.

                                              STATINTL

                    Thomas B. Yale
                    Director of Finance

ADMINISTRATIVE - INTERNAL USE ONLY

DD/M&S 74-3131

OJCS 1108-74
1 5 AUG 1974

MEMORANDUM FOR: Executive Officer, DD/M&S

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memo to D/OJCS fm EXO/DD/M&S, dtd 8 Aug
                   74, same Subj (DD/M&S 74-3022)

1.   I have the feeling that even with the "extended
discussion on the increased need for planning in Government"
which took place on 26 July and 5 August 1974 at meetings
with the DD/M&S, there is little commonality among the DD/M&S
Office Directors of what such plans should include or look
like. As with your memorandum, the things that come through
the clearest are procedural, i.e., possibility of two Plan-
ning Councils, possible membership on these councils, etc.

2.   What is needed, apparently, is better guidance
on the substance of such plans or Planning Councils. It
would be very helpful if the DD/M&S listed, for each Office
or Planning Council, the types of questions he expects the
planning to answer. Another way to get his idea across would
be to distribute a plan from some other organization that il-
lustrates what he has in mind. It is our intention to draft
an OJCS plan as we understand the requirement before the
September meetings. This would be in addition to the OJCS
Systems plan covering FY-75 - FY-78.

3.   As for the three schemes for Planning Council
representation, I favor the alternative in paragraph 3c of
the reference. Regardless of which alternate is selected, I
suspect it would be wise to allow for meetings to be attended
by such additional personnel as the Office Director and DD/M&S
feel are appropriate. It is believed that alternative 3c would
result in a better end product. It is my opinion that the
Office Directors could not allot sufficient time to the plan-
ning to do it justice while trying to manage their Offices.

25X1A

HARRY E. FITZWATER
Director of Joint Computer Support

Distribution:
    Orig & 1 - adse
          2 - O/D/OJCS
          1 - OJCS Registry

16 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memo to Office Heads fr EO-DD/M&S
                  dtd 8 Aug 74, same subject
                  (DD/M&S 74-3022)

        1.   This memorandum responds to referent request and
is for _information_ only.

        2.   We suggest a DD/M&S planning mechanism organized
along the following lines:

        A.   a Planning Council consisting of the Deputy
   Office Heads and chaired by the ADD/M&S;

        B.   a Planning Committee consisting of the
   Planning Officers of each of the DD/M&S Offices
   and chaired by the Chief, DD/M&S Plans Staff.

        3.   This planning group would somewhat parallel the recent
organization of a Senior Personnel Resources Board and a
Personnel Resources Committee. The Planning Council would
consider broad policy issues and make planning assumptions
upon which detailed planning was to be based. The Council
would act as a whole in considering issues affecting the
plans of all Offices, such as anticipated trends in per-
sonnel and funding ceilings in future years, in identifying
functional areas where contingency plans should be developed,
in evaluating the efficiency of our current Directorate
organization, etc. In dealing with matters of concern to
a more limited number of Offices, the Council could divide
itself into sub-groups, such as the Offices of Logistics,
Communications, Joint Computer Services, and Finance for
matters dealing primarily with our physical assets, and
Personnel, Security, Medical Services, and Training for
matters dealing with our personnel assets.

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- 2 -

    4. The Planning Committee would provide staff support
to the Council by preparing and referring back to the Council
detailed planning documents. The Committee should also
suggest to the Council areas in which policy decisions or
guidance are needed for planning purposes.

                                          25X1A

                        Charles W. Kane
                        Director of Security

DD/M&S *74-3099*

CTR-0573

1 3 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memo to Office Heads fm EO-DDM&S dtd 8 Aug 74;
                    same subject

      1. I endorse the idea of a Planning Council for the Directorate
and envision it studying and making recommendations to the DDM&S related,
inter alia, to the following:

      a. The efficient and equitable allocation and use of
authorized fiscal and personnel resources.

      b. The most appropriate distribution among components
of unanticipated or crash reductions in resources.

      c. The Directorate positions on matters of future concern,
i.e., DCI Perspectives for Intelligence 1975-1980, technological
developments impacting on M&S components and related matters
where "brain storming" by a knowledgeable group could be inno-
vative and productive.

      d. The review and evaluation of the Directorate planning
systems for relevance and effectiveness.

25X1A

      2. Unlike almost anything else we do, except the periodic Directorate
management conferences at the ▮▮▮▮ a Planning Council has the ancillary
benefit of developing understanding and cohesion among components. Achieve-
ment of such a goal may be just as important as any substantive product
of the Council.

      3. Somewhat unlike the referent alternatives, I believe there should
be just one Council and that each of the eight components should have one
representative, probably the Deputy Director (with the Office Director
as alternate). While the logical Directorate breakout of services and
people exists, as noted in referent, I believe sufficient overlap is
always present to render such a firm division of planning groups very
difficult. Hence, the single Planning Council concept seems more practical.
Sub-committees or sub-groups could be assigned tasks as required, but
always for later consideration by the entire Council.

EX 2 IMPDET
CL BY 057999

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4. Finally, I concur that the group be chaired by the Associate DDM&S and suggest that the Chief, Plans Staff, DDM&S, be Executive Secretary to the group.

25X1A

Alfonso Rodriguez
Director of Training

CONFIDENTIAL

16 AUG 1974

MEMORANDUM FOR: Deputy Director for Management
                  and Services

SUBJECT   : DD/M&S Planning Council

REFERENCE   : Memorandum from EO-DD/M&S, dated
                   8 August 1974, subject as above

        As requested, the referent memorandum has
been considered in the OMS, and comments are as
follows.

        Since we are uncertain how Directorate
planning should be organized, we would favor
further discussion -- and learning -- while
the question remains open. If our position
is desired at this time on one of the three
alternatives outlined in the referent memoran-
dum, we would favor the third alternative, i.e.,
using the existing Directorate planning mecha-
nisms.

STATINTL

        JOHN R. TIETJEN, M.D.
        Director of Medical Services

ADMINISTRATIVE-INTERNAL USE ONLY

1 5 AUG 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT   :   DD/M&S Planning Council

REFERENCE   :   Memo dtd 8 August 1974 to DD/M&S Office Heads
                        from EO-DD/M&S; re same subject

        Jack:

            We have studied Skip's memorandum concerning
your views on the need to develop a planning mechanism or
council.

            I am puzzled at the emphasis given in this
memorandum to the Offices of Logistics, Communications and
Joint Computer Support as the areas for which planning needs
are the greatest. The increasing attention by the Director
and the Management Committee on personnel reductions, manpower
controls, and the many significant implications of PASG, as
well as the constraints on money and personnel, calls for
personnel planning of the highest order.

            I agree, of course, that the planning
responsibilities of the Offices of Logistics, Communications
and Joint Computer Support are complex and fully support the
suggestion that these Offices be grouped. At the same time,
I suggest for your consideration a similar grouping of the
Offices of Personnel, Security, Training, and Medical Services
charged with the same planning responsibilities you have in
mind for the other Offices.

            I also believe that the need for long-term
planning demands a level of attention which requires personal
participation by the Heads of the Offices concerned. Staff
support to these councils could be provided by the DD/M&S
Plans Staff with assistance to each Office Head from his own
planning staffs. To all who can use the data, we would supply
our various manpower projections and forecasts which should be
useful for many long-term planning considerations.

                                                    STATINTL

                        F. W. M. Janney
                        Director of Personnel